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WEATHER — PARIS: Wednesday, cloudy possible rain. 14 (52-57). LONDON: Wednesday, cloudy. Temp. 8-10 (46-50). NEW YORK: Wednesday, partly cloudy. Temp. 39-43.

ADDITIONAL WEATHER — COMICS PAGE

30,134



Tehran, Afghanistan students and Iran sympathizers demonstrate outside the Soviet Embassy.

## Waldheim Arrives in Iran; Crowds Assail Soviet Move

IRAN, Jan. 1 (UPI) — Thousands of Afghans and Iranians gathered outside the Soviet Embassy in Tehran today as UN Secretary-General Kurt Waldheim began an official mission in the dispute over 5,000 hostages held here.

Waldheim, who arrived in Tehran after a stop in Baghdad, was met by Foreign Minister Gholbzadeh. He is expected to spend the next few days at the U.S. Embassy, where he will meet with Iranian officials and supporters of the revolution.

Revolutionary guards firing shots into the air drove the demonstrators back, but not before a handful of Afghans had scaled the embassy's steel gate to haul down the Soviet flag and raise an Islamic white banner in its place.

## UN Council Sets Deadline for Iran to Free Hostages

UNITED NATIONS, N.Y., Jan. 1 (UPI) — The Security Council today set a deadline for Iran to release the 5,000 U.S. hostages held in Tehran. The council voted 11-0 yesterday to give Iran 10 days to release the hostages. If they are not freed by then, the council will meet to vote on imposing economic sanctions against Iran.

The next council will have at least four new members and a new secretary-general. The council will also have to deal with the Iranian move into Afghanistan.

Two weeks ago, the United States could count only on six votes for sanctions — its own and those of Britain, France, Norway, Portugal and Bolivia. Nine are needed to adopt a resolution. The acquisition of five more — Nigeria, Jamaica, Gabon, Zambia and China — is regarded as a major coup for Donald McHenry, the U.S. ambassador to the UN.

If Mr. Waldheim's mission to Tehran fails, the council is committed in theory to order sanctions. (Continued on Page 2, Col. 3)

## British Steelworkers Cool Furnaces as Strike Nears

LONDON, Jan. 1 (NYT) — British steelworkers were damping down furnaces in anticipation of the country's first national steel strike, now almost certain to start tomorrow.

The state-owned British Steel Corp. and union leaders met separately here with the Advisory, Conciliation and Arbitration Service but the two sides appeared to remain so far apart as to preclude further bargaining.

"Nothing can stop the strike going ahead now as planned," said William Sims, head of the 90,000-member Iron and Steel Trades Confederation. "It is impossible to call it off. It's just a question of how long it lasts."

The shutdown, which would be the first in the steel industry since the 1926 general strike, represents the most serious domestic challenge so far to Prime Minister Margaret Thatcher's eight-month-old government. If it runs much more than a month, large segments of British industry could be crippled.

**Train Drivers' Support**

Unlike some other recent industrial disputes, there is no chance that workers will defy a strike call. In fact, other unions, including locomotive engineers, who would be needed to handle imports of steel, have said they would support the steelworkers.

Customers' inventories, however, are relatively high and British Steel officials have dismissed suggestions that the country would quickly be brought to its knees.

"There is no need at all for people to feel there will be an immediate famine," said one. "It would be foolhardy to think engineering companies will close down within a week or so. The motor industry has

# Carter Sharply Rebukes Moscow For Intervention in Afghanistan

## Kabul Fighting Continues

PESHAWAR, Pakistan, Jan. 1 — Afghan soldiers have been battling Soviet troops in Kabul and other Afghan cities in defiance of the Soviet force and the new government, reports from Kabul said today. The capital was virtually sealed off, they said.

Travelers arriving in Peshawar on the Pakistani-Afghan border said that Soviet troops and Afghan Army units had battled early yesterday for two hours with tanks and artillery in northeastern Kabul. A Western source in New Delhi said that the Soviet troops still were firmly in control of the city, however. Officials of Ariana Afghan Airlines said today that flights were not landing in Kabul because of bad weather. A plane scheduled to land in the Afghan capital yesterday en route from Frankfurt to New Delhi flew over the city and landed in New Delhi.

On Sunday officials at Kabul International Airport refused to let foreign journalists into the country, saying, "We cannot guarantee your safety."

In a port of a larger Soviet military presence in Afghanistan, U.S. officials reported yesterday that the Russians were mobilizing at least two motorized infantry divisions and gathering a large force of fighters and bombers near the Soviet-Afghan border.

Official sources here considered it unlikely that the independent elements of the Afghan Army would pose much of a threat to the Soviet force, which now is estimated at 30,000 to 40,000 troops.

The Afghan military, estimated by the United States at 80,000 to 90,000 soldiers a year ago, was reported to have decreased significantly in recent times. Some analysts say that there were as few as 10,000 to 15,000 effective troops even before the coup last week. Most of the remaining Afghan military has been out of sight since the coup, and U.S. analysts expressed doubt that more than a few garrisons with a few hundred soldiers each were still capable of functioning.

In the northeastern city of Meshed, Afghan and Iranian clergy led a march on the Afghan Consulate. They called for the "rescue of the Koran in Afghanistan" and burned a Soviet flag, the Iranian news agency reported.

**Agreement in Tabriz**

TABRIZ, Iran, Jan. 1 (NYT) — After an indirect appeal from Ayatollah Kazem Shariatmadari, his spiritual leader, Azerbaijani militants agreed in principle last night to free nine government militiamen held hostage here since last Thursday.

But if prisoners jailed after disturbances in Tabriz last month are not freed first, the militants said, Ayatollah Shariatmadari should appear on television and radio to ask formally for the release of the hostages.

**Kurdish Clash**

TEHRAN, Jan. 1 (Reuters) — At least one person was killed and five were critically wounded today in fighting between Kurdish guerrillas and government forces in the Kurdish city of Sanandaj, hospital officials there said.

U.S. officials said that the Russians were using at least seven airfields in Afghanistan to bring in troops and supplies. But the intensive airlift to Kabul, which brought in the equivalent of a Soviet airborne division in more than 300 flights over a three-day period, reportedly has stopped. About 12 to 24 Soviet flights daily are now being reported.

The troop movements within the Soviet Union may turn out to be the most significant, according to sources here. At least one motorized infantry division in Soviet Central Asia and another in Soviet Turkmenia reportedly are being mobilized for possible movement to Afghanistan. In addition, officials report indications that some airborne units in the western part of the Soviet Union may move south.

Diplomats in New Delhi estimated that two Soviet motorized rifle divisions were fanning out over the country's mountainous areas controlled by Islamic guerrillas, who have battled three successive Marxist regimes. Diplomatic sources and rebel leaders in Peshawar said that Soviet troops in Kabul also were preparing to confront local government troops resisting the takeover by President Karmal.

In New Delhi Washington Post correspondent Stuart Auerbach quoted diplomatic sources as saying that 25 Soviet soldiers had been killed and 225 wounded in the initial fighting last Thursday. U.S. intelligence sources said that 200 to 250 soldiers had been killed or wounded.

(Continued on Page 2, Col. 1)

**Common Front Against Afghanistan Move**

BRUSSELS, Jan. 1 (WP) — Boycotting the 1980 Olympic Games in Moscow next summer and stopping wheat sales, commercial credits and cultural exchanges to the Soviet Union were among a wide range of options discussed by the NATO allies today in response to the Soviet intervention in Afghanistan.

No decisions were made at the grim New Year's Day emergency meeting of NATO ambassadors with U.S. Deputy Secretary of State Warren Christopher at the alliance's headquarters here. But in a clear consensus that actions be taken soon after further consultations "must be firm and must be credible."

## NATO Reviews Soviet Relations

Following Mr. Christopher's more detailed preliminary meeting in London yesterday with ranking diplomats of Britain, France, West Germany, Italy and Canada, those nations have begun soliciting the support of Third World countries for the Soviet move. Britain and several of the others also have instructed their ambassadors in Kabul to avoid political contacts with the new Soviet-backed regime there.

Stronger diplomatic action against Afghanistan and the Soviet Union is now to be coordinated by the Western allies. An earlier emergency meeting on the crisis was held by the NATO council last Saturday.

"Whatever is done after consultations must be credible," the representative of one major NATO country said here today, according to informed sources. "We dare not take actions we cannot really deliver on because our credibility will suffer."

Another NATO ambassador reportedly compared the summer Olympic Games in Moscow with the 1936 Olympics in Hitler's Berlin. "If we go to Moscow," he asked, according to sources, "is that not an expression of business as usual? Are we going to continue business as usual?"

Boycotting the Olympics, stopping grain sales to the Soviet Union or cutting off its Western commercial trading credits all were raised at both NATO meetings here and at yesterday's consultations in London, according to sources. The strategic arms limitation treaty, not yet ratified by the U.S. Senate, also was discussed.

Some NATO officials, according to sources, suggested that the Carter administration should abandon its stated detente policy of avoiding linkage between U.S.-Soviet agreements and Moscow's actions elsewhere. "We have seen how the Russians have behaved," one source said. (Continued on Page 2, Col. 4)

## In East Jerusalem

## Israel to Take Over Arab-Run Power Co.

By David K. Shipler

JERUSALEM, Jan. 1 (NYT) — The government yesterday moved to erase one of the few existing symbols of Palestinian autonomy by announcing plans to expropriate the East Jerusalem Electric Co., an Arab-run concern that has supplied power to much of the West Bank since 1928, when it received the concession from the British authorities in Palestine.

The takeover, announced by Energy Minister Yitzhak Mordechai, brought swift and angry reactions from Palestinian leaders.

Effective Jan. 1, 1981, after Israel pays compensation, it will eliminate remaining Arab control over the distribution of electricity both on the West Bank, now under an Israeli military government, and in the predominantly Arab sector of Jerusalem, which Israel annexed after capturing it from Jordan in the six-day war of 1967.

Although the stated reasons for the decision were technical and economic, the move appeared to have political motives, mainly as a gesture to dramatize Israel's determination to hold on to East Jerusalem and to maintain significant control on the West Bank, despite talks now under way to grant Palestinian residents there nominal self-governing authority.

"It has political implications," said the company's chairman of the board, Anwar Nusseiba, a former defense minister of Jordan. "It has legal implications. It has implications for our very existence as a people in this city and in this country."

**"We Will Protest"**

"We do not accept being bought out," he said. "We do not agree to sell our concession. We will protest in the strongest possible terms. We will take all possible steps within

the law — and we do not go beyond the law — to fight it."

Mr. Nusseiba said the case might be taken to Israel's supreme court or to the International Court of Justice in The Hague. Under the 60-year concession, governing authorities — originally the British, then the Jordanians and now the Israelis — have the right at five-year intervals to buy the concession by giving one year's notice.

The company, with 400 employees, distributes electricity to about 350,000 Arab inhabitants of East Jerusalem and the Bethlehem, Ramallah and Jericho areas of the West Bank. In addition, approximately 15,000 Jews in new neighborhoods on the outskirts of the capital and in controversial settlements on the West Bank get their power from the company.

Mr. Nusseiba said the Israelis recently asked to buy that part of the concession preserving the Jewish settlements, but the offer was refused. Nearly a year ago, financial difficulties had tempted some Palestinian leaders to propose selling part of the concession to Israel, and the issue provoked an angry split among prominent Arabs in Jerusalem and the West Bank. Jordan and the Palestine Liberation Organization favored a partial sale to bring the concern to solvency, while more radical politicians on the West Bank, including Nablus Mayor Bassem Shakra, who was recently released from prison after a threat of deportation, vehemently opposed any turnover to the Israelis.

The company held an 18-day strike last July on the issue.

Some saw considerable influence by the Jordanian Communist Party in the labor union, and the PLO finally changed its stand and moved to the radicals' and Communists' position of no sale.

The government takeover is apparently designed in part as a move against the Communists and against unionized labor among the Arabs. It also has the effect of binding the Arab areas more intimately to Israeli control and helps define Israel's view of Palestinian autonomy under which residents of the occupied areas are to elect an administrative council next spring.

Israel wants this council's powers severely limited, without legislative authority or, it appears, control over essential commodities such as electricity and water. Egypt is trying to broaden the powers to attract Palestinians to the scheme. The outspoken Palestinians have rejected the autonomy idea as a sham.

## At Least 41 Die In Quebec Fire

CHAPPAIS, Quebec, Jan. 1 (AP) — Fire ripped through a New Year's Eve celebration in a rural club hall early today, killing at least 41 persons and seriously injuring 50, authorities said.

An undetermined number of others were missing and presumed dead, police said in this small northern Quebec mining community. Flames broke out on the balconies along a wall of the Opaniska Club, and the crowd of several hundred panicked, police said.

Firemen struggled for four hours before bringing the flames under control. Then they found the bodies. "They opened a door at the back of the building, and there they were," said Constable Jocelyn Dahl. There reportedly was only one exit door at the back of the building.

## The Sex Appeal of a Human Male's Sweat

By Malcolm W. Browne

NEW YORK, Jan. 1 (NYT) — An English research team believes that it has isolated a chemical substance from the sweat of human males that is so attractive to most women that it may be compounded into a new after-shave lotion.

It has long been suspected by some scientists that man, in common with most other animals, secretes substances that affect the behavior of other individuals. Dr. George Dodd, a chemist in charge of an eight-member research group at Warwick University, England, said in a BBC broadcast that human pheromones exist and that proof may be forthcoming soon. Furthermore, a suspected human pheromone that his group has refined has attracted the interest of commercial perfume manufacturers, he said, and "it's likely we'll go ahead with the after-shave lotion."

Dr. Dodd said that the Warwick group had investigated a number of potential human

substances in question occur in such small quantities they are difficult to detect by chemical means. Typically, he said, one trillionth of a gram may be all the analyst has to look for. They can occur in any human secretion, even tears or ear wax, he said, and in many cases, a human may smell them without consciously perceiving them.

Another research problem is the difficulty of measuring changes in mood of the kind pheromones are believed to cause, Dr. Dodd said.

"The behavior of most animals is dominated by the sense of smell, but in humans, the effect of smells generally seems buried among the sensations of vision and hearing. The olfactory effects on behavior have to be teased out for study, and the chemicals involved must be very highly purified. All this is very difficult."

But I think it is time for science to take a more serious look than hitherto at how the olfactory sense affects human behavior," he said.

Dr. Dodd said that a major obstacle to research in human pheromones has been that the

Algeria	5.50 Dirh	Great Britain	25 P	Netherlands	1.90 Flor
Argentina	4.00 Pes	Greece	30 Drs	Nigeria	70 K
Australia	12.5 S	India	Rs. 10	Norway	5.75 Nkr
Austria	13.76 Sch	Indonesia	95 Rup	Oman	0.50 Rial
Belgium	36 Bfr	Israel	1.000 Lira	Portugal	200 Esc
Canada	1.00 Can	Italy	200 Lire	Qatar	3.00 Rial
Ceylon	200 Mls	Kenya	Shs. 25	South Arabia	4.25 Rial
Denmark	4.25 Dkr	Kuwait	300 Fal	Spain	165 Pes
Dubai	5.50 Dirh	Laboran	63.00 Rup	Sweden	3.50 Skr
Egypt	70 P	Libya	1.00 Din	Switzerland	1.75 Sfr
Finland	32.50 Mk	Luxembourg	36 Lfr	Tunisia	3.25 Din
France	6.55 F	Madagascar	214 Mls	Turkey	1.5 Lira
Germany	1.80 DM	Macao	22 Mts	U.S. M.	1.00 Dlr
		Mexico	150 Dls	Yugoslavia	20 D

WASHINGTON, Jan. 1 (WP) — President Carter sharply rebuked the Soviet Union last night for its involvement in Afghanistan, accusing President Leonid Brezhnev of providing a completely inadequate and completely misleading response to U.S. protests. In a television interview, Mr. Carter said that Mr. Brezhnev "claimed that he had been invited by the Afghan government to come in and protect Afghanistan from some outside third-nation threat." Mr. Carter added, "This was obviously false."

The president's statement — the first official assessment of Mr. Brezhnev's response — indicates a major deterioration in U.S.-Soviet relations (News analysis: Page 2).

Mr. Carter underscored the decline, saying that the Soviet move into Afghanistan "has made a more dramatic change in my opinion of what the Soviets' ultimate goals are than anything they've done in the previous time that I've been in office."

He asserted that further U.S. action would be taken in response to the coup in Afghanistan but did not indicate what that might involve.

**Criticism of Brezhnev**

Mr. Carter reserved his sternest criticism for Mr. Brezhnev. Asked whether the Soviet leader was lying, Mr. Carter replied, "He's not telling the facts accurately, that's correct."

Mr. Carter sent Mr. Brezhnev a personal protest last Friday, a day after the coup took place in Kabul.

The president said that Mr. Brezhnev's response was false and inadequate "because the person that he [Mr. Brezhnev] claimed invited him in, President [Hafizullah] Amin, was murdered or assassinated after the Soviets pulled their coup."

Mr. Carter added, "It is only now dawning upon the world the magnitude of the action that the Soviets undertook in invading Afghanistan."

On another matter, President Carter was asked during the interview last night about the continuing standoff with Iran over the holding of U.S. hostages there. Mr. Carter replied that he was angry and impatient but that he could not set a deadline for the hostages' release. They have been held since Nov. 4 when Iranian militants seized the U.S. Embassy in Tehran.

"For us to peremptorily cause bloodshed or start a war in Iran and in that entire Persian Gulf region — just to show that I am brave or courageous or forceful or powerful — would be exactly the wrong thing to do for the hostages and for our long-range interests," President Carter said.

Also Cites Pakistan, China, U.K. and Egypt

## Kremlin: U.S. Trains the Rebels

By Dan Fisher

MOSCOW, Jan. 1 (LAT) — The Soviet Union, intensifying the anti-U.S. campaign with which it is justifying its military move into Afghanistan, charged today that CIA agents were using a humanitarian foundation and an anti-drug program as a cover while they train Afghan rebels to fight the pro-Moscow regime in Kabul.

The charge was made in an article in Izvestia that said that U.S. imperialism was "most directly involved in organizing... actions directed against the Afghan people who embarked upon the road of building a new society."

Amid sharp criticism worldwide, the Soviet Union has been increasingly specific in its allegations of an imperialist threat to Afghanistan. The Izvestia article charged that the CIA "is directly involved in training Afghan rebels in camps in Pakistan and maintains contacts with counter-revolutionaries and reactionaries in Afghanistan itself. CIA agents operate in the area of the Afghan-Pakistan frontier, specifically under the cover of the anti-drug board and the American-Asian fund."

Western diplomatic sources here said that the article apparently referred to the U.S. Drug Enforcement Agency and the Asia Foundation, a private American humanitarian organization. The Drug Enforcement Agency has officers attached to the U.S. embassies in Kabul and Islamabad, Pakistan, charged with helping to curb the flow of opium from these countries.

The article said that the motives of the United States "are directly linked with the loss by the United States of its dominant influence in Iran."

It added, "How much the United States would like at this time to subordinate Afghanistan to its designs, primarily anti-Soviet designs, to make the Afghan people give up the new revolutionary course!"

The article reiterated Moscow's earlier statement that the Soviet troops would be withdrawn when there was no longer the reason that caused action.

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## Common Front Against Afghanistan Move

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## Sees Threat to Its Security Peking Gives Moscow Strong Protest Note

PEKING, Jan. 1 — China delivered a formal note yesterday to the Soviet Union demanding that Moscow pull its troops out of Afghanistan and calling the invasion a threat to China's security. The note was among scores from Asian and European governments in response to the dispatch of Soviet troops.

Deputy Foreign Minister Zhang Hanfeng summoned Soviet Ambassador L.S. Shcherbakov to protest the Soviet invasion of Afghanistan and its intervention in the internal affairs of that country, the Chinese news agency said. "The Chinese government demands that the Soviet authorities immediately stop their aggression and intervention in Afghanistan and withdraw all their armed forces from that country," the agency quoted him as saying.

"Afghanistan is China's neighbor and therefore the Soviet armed invasion of that country poses a threat to China's security. This cannot but arouse the grave concern of the Chinese people," Mr. Zhang was quoted as saying.

The Chinese news agency said that the incursion was part of a strategy to seize oil-producing areas, control sea-lanes and outflank Europe.

**Indian Protest**

In New Delhi, the Indian government last night expressed deep concern at what it called the substantial involvement of Soviet troops in Afghanistan and formally asked the Soviet Union to pull its military force from that country.

Indian Prime Minister Charan Singh called Soviet Ambassador Yuri Vorontsov to his official residence late last night and reminded him that the Soviet Union and India had agreed six months ago that "both sides were opposed to any foreign intervention in the internal affairs of Afghanistan."

In Tunis, Habib Chatty, the secretary-general of the Organization of the Islamic Conference, also condemned the Soviet move and urged member nations to act.

Mr. Chatty, a Tunisian diplomat, said today, "The organization cannot remain indifferent when confronted by the armed intervention of a foreign power in a Moslem country. I urge all member na-

tions to do what they can to put an end to foreign presence in a brother country.

He added, "People cannot understand in those countries, which have almost completely friendly relations with the Soviet Union or even close cooperation with the Russians, how Moscow has taken a decision that is contrary to international conventions. . . . The effects on the Soviet Union's relations with these countries are certain to be grave."

Mr. Chatty's statement followed a condemnation by the Tunisian government of the Soviet actions.

### Bangladesh Reaction

In an obvious reference to the Soviet Union, Bangladesh called today for an immediate withdrawal of foreign troops from Afghanistan to allow the Afghan people to determine their own political destiny without outside interference or intervention.

Without naming the Soviet Union, the spokesman said the "presence of foreign troops in Afghanistan and their direct involvement in the country's internal affairs poses a serious threat to the peace and stability of the region."

In another veiled reference to the Soviet actions, Romanian President Nicolae Ceausescu called in his New Year's message for the withdrawal of foreign troops from other countries.

Mr. Ceausescu's address, broadcast at midnight on national radio and television, was worded in the same terms that he often has used to detail Romanian foreign policy aims that differ from those of the Soviet Union and other Warsaw Pact nations.

"One must do everything for the systematic reduction of military expenditure, of military effectiveness and armaments; the withdrawal of foreign troops within their national borders; the dismantling of military bases and dissolution of military blocs; and the building of a world without weapons and without wars," he said.

Nepal and Sudan also criticized the Soviet intervention and called for the withdrawal of the troops.

On Saturday, Iran issued a strongly worded note accusing Moscow of intervening militarily in what it called an act of aggression against all Moslem nations.

## Soviet Buildup Reported On Afghanistan Border

(Continued from Page 1)

wounded in the fighting so far. The U.S. officials said that Soviet casualties were likely but that no reliable reports on their extent had been received.

The Moslem rebels long have been fighting against Afghan regimes, claiming that the Soviet-backed leaders had disrupted centuries of Islamic tradition with Marxist-oriented reforms.

Leaders of two Afghan rebel groups said that a showdown was inevitable between the Afghan military holdouts and the Russians. "All the forces have not surrendered," said a rebel leader. "Some of the forces are resisting."

According to Mr. Auerbach, Afghan rebel sources in New Delhi said that the Soviet presence in their country would serve to unite the contending groups of anti-government Moslem tribesmen. At least five groups are reported to be operating at present.

The Soviet combat force now re-

ported in Afghanistan, while powerful and impressive, is considered far from sufficient to wage a nationwide battle with the rebels who have popular backing and are spread through much of the mountainous countryside.

U.S. officials closely are watching the large-scale forces being mobilized in the Soviet Union. If these units come down across the border and double the size of the Soviet force in Afghanistan, it will be taken as a sign that the Russians have decided to crush the Afghan insurgency regardless of the potential price.

In the fighting between Afghan troops and Soviet forces, the Pakistani newspaper Jang reported that Soviet forces had occupied a military post in Badkhaban province near the Chinese-Afghan border after 90 hours of fighting with heavy casualties. The newspaper said that Moslem rebels claimed to have captured another military base at Pakan Seral after a three-day battle in which a brigadier general and nine other Afghan Army officers deserted to the rebel forces.

Soviet troops and Afghan Army forces also fought at Merikot, which had been surrounded by Moslem rebels, Jang reported.

A Western diplomatic source said in New Delhi that there were reports of clashes between Afghan and Soviet troops in the provincial capitals of Kandahar and Jalalabad. There also were reports of resistance in Herat but the source said that the city was soon put under Soviet control.

The Soviet Union has said that it was invited into the country by the government. Tass said today that the "limited Soviet military contingent, instructed to assist exclusively in repelling armed interference from outside, will be fully withdrawn" when there is no longer a need.

The buildup of Soviet air forces near the Afghan border was reported to include many fighters and bombers. A smaller number of MiG-23 and MiG-21 fighters has been reported in Afghanistan in recent days along with Mi-24 helicopter gunships and Soviet transport planes.

### Strong Quake Rocks Azores

LISBON, Jan. 1 — A powerful earthquake, measuring 7.0 on the Richter scale, rocked the Azores today, mid-Atlantic islands today, destroying villages, injuring many people, and cutting down communications systems.

Portuguese national television reported that the quake had destroyed houses in at least 60 percent of the villages of Terceira Island and that many children were sent to hospitals on neighboring Sao Jorge Island.

The quake occurred along the eastern edge of the North Atlantic Ridge, a seismically active line stretching north and south in the Atlantic where two great crustal plates are pulling apart.

## Steel Strike Set in U.K.

(Continued from Page 1)

employer and awarded its National Coal Board a 20-percent increase to miners, it seemed headed for trouble with less prosperous industries.

British Steel, which suffers from overcapacity during a time of depressed world demand, is particularly vulnerable. The company has long been losing roughly \$1 million a day.

Although inflation during the past year has been 17.5 percent, the company first offered the steelworkers a 2-percent raise — actually a consolidation of earlier ones — then raised it to 5 and, finally, 6 percent contingent on productivity gains and manning reductions.

An additional 10 percent could come from local productivity deals, the company said.

As part of a long-range streamlining plan, the company seeks to shed 52,000 jobs in 1980 and to gain greater flexibility to deploy those that remain. Some plants are to be closed.

Opposition Leader James Callaghan, who tried unsuccessfully to get Mrs. Thatcher to recall Parliament before Jan. 14 to deal with the crisis, said the strike could be so catastrophic that Britain could be left without a steel industry within a year. The main fear was that customers would place orders elsewhere and not return.

There is also a threat to B.L. Ltd., formerly British Leyland, the principal British-owned automobile company. Its chairman said a long steel strike could have "horrible" consequences.

**5 S. African Miners Die**

JOHANNESBURG, Jan. 1 (Reuters) — Five black miners were killed last night when a roof caved in at a coal mine at Witbank, east of here, a mine spokesman said today.



Soviet troops on guard in a key section of Kabul. They are also in three other major cities.

### Debate May Be Postponed

## Soviet Move Hurts Senate SALT Chances

By Richard Burt

WASHINGTON, Jan. 1 (NYT) — The Soviet intervention in Afghanistan has dashed any possibility that the Carter administration could win Senate approval for the strategic arms limitation treaty with the Soviet Union early this year, several senators said yesterday.

At the same time, administration officials acknowledged that the Soviet move had badly hurt President Carter's chances for obtaining Senate support for the accord and said that senior aides had begun to discuss the possibility of deferring a debate on the treaty.

In interviews, the senators, many of them supporters of the treaty, expressed strong criticism of Moscow's actions in Afghanistan and predicted that Mr. Carter would suffer a heavy defeat if he went ahead with plans to seek Senate approval for the arms agreement in February or March.

"This whole situation strengthens the case for delaying a vote," said Sen. John Warner, R-Va., one of 19 senators who earlier this month called on the White House to defer action on the treaty until after the presidential election next November.

If you take the vacillating posture of the Soviets in the hostages situation in Tehran and add to it Moscow's moves in Afghanistan, it becomes clear that it is time for us to reassess our complete relationship with the Soviet Union," Sen. Warner added.

A somewhat similar view was expressed by Sen. Frank Church, D-Idaho, the chairman of the Foreign Relations Committee. In a statement, he said that Moscow's intervention in Afghanistan "makes it more difficult to judge the treaty on its merits because of the animosity aroused by this new act of Soviet aggression."

"The debate in the Senate should come at a time when the members can judge the treaty objectively," Sen. Church continued. "Clearly, this is not such a time."

Senate aides stressed that Sen. Robert Byrd, D-W.Va., the majority leader, would have the most important say in determining when the treaty would go to the full Senate for debate. Sen. Byrd has been working in the Senate and the White House on gaining support for the treaty, and until last week, the ma-

jority leader had pushed strongly for beginning the treaty as soon as the Senate returned from its holiday recess on Jan. 22.

In discussions yesterday, administration officials said that the situation in Afghanistan could lead Mr. Carter to ask the Senate to put off a vote on the treaty.

### Carter to Seek Approval

WASHINGTON, Jan. 1 (UPI) — President Carter will seek Senate ratification of the SALT-2 treaty

this year despite new obstacles resulting from the Soviet intervention in Afghanistan, a White House aide said today.

"Our position remains the same," he said. "We believe we're better off with a SALT treaty than not. It is not a favor to the Soviet Union, nor is it based on trust."

The aide said, "The president believes the SALT treaty should be ratified and is in the best interests of the country" because nuclear weapons need to be controlled even if U.S.-Soviet relations deteriorate.

## NATO Reviews Soviet Ties After Move in Afghanistan

(Continued from Page 1)

sians regard the indivisibility of détente," one NATO ambassador reportedly said today.

Mr. Christopher told the others that the Carter administration is committed to continuing to seek Senate ratification of the SALT treaty, but that its chances of success would undoubtedly be affected by the events in Afghanistan.

One source said the meetings of the allies had produced "a strong sense of solidarity and a feeling that this is a matter of extreme seriousness. There is no sense of seeking to be careful." This appeared to be a significant shift in mood from the previous hesitancy in some European capitals after the U.S. hostages were taken in Iran.

After today's meeting, NATO Secretary-General Joseph Luns said in a statement that "the armed Soviet aggression in Afghanistan is a flagrant violation of international law and a threat to peace. This is the first time that the Soviet Union has used its military power directly and massively in a country not belonging to the Soviet bloc. More than ever, solidarity and decision among the allies are imperative."

Before flying back to Washington, Mr. Christopher said briefly that he told the allies the "massive land invasion" of Afghanistan had put several Soviet divisions inside the rugged country on its southern border. He said all 15 NATO nations shared with the United States "a deep concern about this strong aggression."

## U.S. Assails Soviet Move

(Continued from Page 1)

and transmitted from southern areas of the Soviet Union rather than by Radio Kabul. U.S. sources said that the broadcasts came from the Soviet city of Tashkent, just north of the Afghan border.

The U.S. spokesman charged that the radio broadcasts were clear evidence that the Soviet Union was involved in planning the coup. The State Department did not disclose its basis for the assertion about the broadcasts except to say that it was based on reliable information.

U.S. sources noted that U.S. diplomats and U.S. monitoring services did not hear Mr. Karmal's announcement on Radio Kabul on the day of the coup. Instead, they said, Radio Kabul maintained its normal broadcasting until 11 p.m. on Thursday. Then, they said, the station went off the air after it came under military attack. Afterward music was broadcast, they said.

Mr. Karmal's announcement, these sources said, was monitored initially on another radio frequency. The station, they said, incorrectly identified itself as Radio Kabul. Only later, they said, were Mr. Karmal's statements heard on Radio Kabul itself.

On Saturday, Pravda said that only a limited military contingent had been sent to Afghanistan to help quell what it described as an internal subversion fomented partly by the United States. The Russians denied any role in the coup.

The State Department spokesman said yesterday that the Pravda account was "replete with false, scurrilous and totally outrageous allegations." He argued that Soviet forces had helped bring about the coup before there were any reported requests by Afghanistan for Soviet help.

### Cameraman for Time Detained in Kabul

NEW DELHI, Jan. 1 (Reuters) — Hubert van Es, a free-lance photographer on assignment for Time magazine, has been detained in Kabul, the capital of Afghanistan, a Time spokesman said here today.

Mr. van Es, who is based in Hong Kong, was detained by authorities when he refused to board an Indian Airlines flight along with other Western newsmen who were expelled from Afghanistan on Sunday, the spokesman said.

### 300,000 Visited China

PEKING, Jan. 1 (Reuters) — More than 300,000 tourists visited China last year, 30 percent more than the preceding year, the Chinese news agency reported yesterday.

## Strain in U.S.-Soviet Relations Could Be Worst Since Cold War

By Bernard Gwertzman

WASHINGTON, Jan. 1 (NYT) — Moscow's decision to intervene militarily in Afghanistan has deeply angered the Carter administration and seems likely to send U.S.-Soviet relations into a period of bitter re-examination more reminiscent of the Cold War years of the 1950s than of the détente years of the 1970s.

In addition to the sharp dispute between the two governments, an extraordinary personal element has been added to the crisis. President Carter, whose administration had resisted pressures to engage in anti-Soviet rhetoric or actions, said last night that his own perception of Soviet actions had been altered drastically by the Soviet actions and by what he called President Leonid Brezhnev's misleading response to his personal message last Friday.

Not since the U-2 crisis of 1960 have the heads of the two states become so personally involved. And this means that as the new decade begins there is a strong possibility that the two countries are about to enter into a major freeze in relations that could last well into this year. Some experts believe that relations may not be normalized again until after next November's elections.

For a president who has been accused by his critics of being too soft toward the Russians and who faces a re-election campaign in which foreign affairs seem likely to play an increasingly large part, Mr. Carter's decision in a televised interview last night are all the more telling. He said that his view of the Soviet Union had changed more in one week than in his previous time in office.

### Recent Strains

The events in Afghanistan did not occur in a vacuum, however. Ties between Moscow and Washington had undergone severe strains in recent months despite the successful conclusion of the strategic arms limitation treaty and the Carter-Brezhnev summit meeting in Vienna. The treaty now seems to be the first and most obvious victim of the deterioration in relations.

Even before the dispatch of the Soviet combat troops to Afghanistan, relations seemed to be going nowhere but down for a number of reasons. Neither side seemed to pay much attention to the political sensibilities of the other. Washington recognized Peking gave it economic concessions ahead of Moscow and made human rights an issue inside the Soviet Union. The Russians seemed oblivious to U.S. concerns about Cuban troops in Africa and other regional issues.

Marshall Shulman, the State Department's senior Soviet adviser and the administration's leading voice for moderation in relations with the Russians, had signaled the direction in which events were going when he told a congressional committee on Oct. 16 that the superpowers were at loggerheads on almost every issue and that these differences were unlikely to be reconciled in the near future.

When asked to look ahead by the committee chairman, Mr. Shulman responded gloomily: "It's going to be a difficult year."

The latest developments, occurring at the beginning of the presidential campaign and when the United States was preoccupied with the hostage crisis with Iran, have produced an outburst of anger that mirrored similar reactions in the election years of 1956 when the Russians crushed the Hungarian revolt and of 1968 when they led the takeover of Prague.

Other experts compare the current chill with another election year, 1960, when President Dwight Eisenhower's summit with Khrushchev was canceled after the shooting down of an American U-2 plane and when relations worsened with the shooting down of an RB-47 reconnaissance plane. Not until John Kennedy assumed office the next January did another period of normalcy begin, only to be set back by the Cuban Bay of Pigs miscalculation and the Berlin Wall crisis that summer.

The mood then and now was aggravated by the frustration in Washington at being unable to respond militarily to the Soviet use of force in countries along its borders. Neither President Eisenhower in 1956, President Kennedy in 1961 nor President Lyndon Johnson in 1968 could risk a military confrontation with the Soviet Union over countries that were in effect within the Soviet sphere of influence.

The Soviet decision to move several divisions of troops into Afghanistan was believed here to be based on the same kind of considerations that led to the Soviet moves into Hungary and Czechoslovakia and to the creation of the wall in East Berlin — a determination not to permit a pro-Soviet Marxist republic to be toppled by insurrection and chaos.

### Central Asia

The particular reasons for the intervention were probably additionally compelling to the Kremlin because of a concern that, if a conservative Islamic state emerged in Afghanistan — possibly linked to the fundamentalists in Iran and Pakistan — the situation in Soviet Central Asia, where most of its 50 million Moslems live, might be dangerous for Moscow.

In Washington, there was considerable speculation by administration supporters as to whether the action in Afghanistan was linked in any way to Moscow's view of the United States. In other words, did the Kremlin calculate that by intervening in Afghanistan it would cause problems for itself with Washington?

Ambassador Anatoli Dobrynin, who first arrived in Washington on March 30, 1962, at a time of a serious crisis in relations, left for consultations in Moscow in advance of the latest crisis, more than three weeks ago, after two lengthy sessions with Secretary of State Cyrus Vance in which they discussed Soviet-U.S. relations at length.

U.S. officials at that time felt that an important review was going on in the Kremlin on overall ties be-

cause Mr. Dobrynin wanted to know the answers to such questions as how strongly the administration would push for Senate passage of the strategic arms treaty in an election year; whether the United States would intervene militarily to free the hostages in what the outlook was for détente in general; and the chances were in particular for an improved Soviet-U.S. relations.

### Giving Advice

Clearly, Mr. Dobrynin, a full member of the Communist Party Central Committee, was needed in Moscow to give advice on how the intervention would affect relations with the United States.

The estimate now, in hindsight, is that the Kremlin decided that its relations with Washington were poor anyway that the reaction in Washington, which could be anticipated as sharply negative, could stand in the way of the intervention in Afghanistan which clearly was being put into its final stages at the time.

The Kremlin Politburo had to believe that, because of the problems facing Senate passage of the arms treaty, there was little chance of its being put into effect this year. Moreover, it had to note the generally poor state of Soviet prestige in the United States, the inability of Moscow to win any trade concessions here, the scoffing at Mr. Brezhnev's appeal for holding on to a decision to go ahead with the new theater nuclear forces in Europe.

In Moscow, there seemed an equal lack of interest in helping Mr. Carter in his efforts to push the strategic arms treaty. To some experts, the Cuban issue of September was an important barometer of Soviet thinking.

What happened then was that the administration tested the presence of about 2,500 Soviet troops seemed to form some kind of combat brigade. Russians were asked to take some concrete action, make a statement that would ease U.S. concerns, they let Mr. Carter handle the crisis without public recognition of his problem with hard-line members of the Senate.

If the Kremlin was so unforthcoming about an issue so close to the United States, would it be more about an area on the Soviet borders, thousands of miles from the United States?

For Washington the problem of how to respond was aggravated by the lack of very attractive options. There is no chance that the United States will get military support of the Afghan insurgents. Mr. Carter has signed the U.S. security pact with Pakistan, but the State Department official seriously believes that Iran is in danger of invasion by the Soviet Union.

In 1968, President Johnson, unable to do anything militarily about the moves into Czechoslovakia, warned the Russians not to invade Romania. That now, the warnings were empty because there was no real threat.

### World Pressure

The administration's instinctive response was to bring worldwide pressure on the Russians by using both Western and Moslem countries to complain. There have been statements of concern from virtually every capital but no signs of any desire to be involved in Afghanistan.

The United States and its allies probably will seek UN Security Council debate on the intervention, thereby forcing the Russians to defend themselves in the glare of publicity and to use their veto. The West went to the United Nations during the Hungarian and Czechoslovak crises but no action was really possible.

This probably means in the end that the United States will have to react to the Soviet moves in its own way. At the minimum, this means that the arms limitation treaty is dead for the moment. Whether it is buried by the administration or by the Senate is still to be decided.

It means that steps probably will be taken to back track with the Soviet Union to nonessential trade and most important element in the commerce now is the large-scale sale of U.S. grain. Mr. Carter in the past has resisted angering farmers by curtailing their exports which would have the effect of depressing the price but now he might be tempted.

The chances of the Soviet Union receiving any sophisticated technology will be more remote than it has been. Likewise, it is doubtful whether high-profile natural or other exchanges will be permitted.

There are other options, such as trying to curb participation or attendance at the Moscow Olympic Games. But these and other options still have to be reviewed within the administration.

In addition, the United States may decide to be more open in its friendship with China. Defense Secretary Harold Brown is going to Peking on a three-day trip at the end of the week, and the administration will be tempted to offer the Chinese the kind of technology that it probably will deny the Russians and to coordinate their foreign policy moves more closely.

The U.S. administration also may increase its propaganda war with the Russians, a throwback to the Cold War. Already, the State Department is more frequent intelligence information about the involvement in Afghanistan than it has been about Soviet actions in recent past.

But beyond the specific steps, the latest developments seem to have produced a sharp sense of personal disenchantment with the Russians within the administration.

Last night Mr. Carter said, "What we will do is what I cannot say, but to repeat myself, this action on the part of the Soviet Union has made a more dramatic change in my own opinion of what the Soviet's ultimate goals are than anything they've done in the previous time I've been in office."



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## U.K. Firms Do Same

Japan Approves \$30 Price  
Cold Iranian Oil Discussions

YO, Jan. 1 (WP) — Japan agreed to negotiate for Iranian oil at a price of \$30 a barrel, the highest price since the 1973-74 oil crisis, after two British companies broke the line first, government sources said today.

Meanwhile, some OPEC countries, including Algeria, were reported to be raising prices well above \$30 while others, such as Iraq and Saudi Arabia, were keeping prices below that level. Libya, however, said last week that it would raise its oil price to \$30, effective today, and reports that Mexico, an OPEC member, had done so as well.

Japanese government sources indicated that Japan had stuck by its position with the United States on Iranian oil until it learned yesterday that the British companies had decided to pay \$30. They said the firms as Japanese Petroleum and Shell.

U.S. officials, hoping to hold down the prices paid for Iranian oil as part of their pressure on that country during the hostage crisis, were described as displeased with the reported negotiations in Tehran. But it was not clear whether they would regard it as a price breakthrough large enough to merit a protest to Britain and Japan.

The U.S. officials agreed that, on the basis of reports from Tehran, the Japanese had kept a promise not to buy Iranian oil at higher-than-normal prices until the British oil companies agreed first to negotiate for oil at \$30 a barrel.

As part of its international pressure campaign, the United States has asked allied countries not to weaken its own embargo of Iranian oil by contracting for purchases at unusually high prices.

Japan was strongly criticized by the United States after some of its companies bought Iranian oil last month on the European spot market for up to \$44 a barrel. Since then, however, Japan's position has been to support the U.S. pressures, thereby endangering its own prospects of purchasing large quantities of Iranian oil this year. It has promised to support the U.S. stand as long as European countries do so.

On Saturday, the Ministry of International Trade and Industry advised Japanese oil company representatives to be prudent in negotiating with Iran for anything above \$28.50, the price fixed by Iran after the meeting of the Organization of Petroleum Exporting Countries last month in Caracas.

But early yesterday, the ministry, citing reports on the British companies, advised Japanese negotiators that it would sanction purchases at around \$30 a barrel. U.S. officials were promptly notified in an apparent effort by the Japanese government to avert new criticism from Washington.

A Japanese official said today that word of the British firms' negotiations had been received from authoritative sources in the British government.

El Salvador's Cabinet Says Armed Forces Aid Wealthy

SAN SALVADOR, Jan. 1 (UPI) — The Cabinet has accused the armed forces of defending the wealthy and vowed to resign unless the ruling junta gains control of the military.

The 35 young and generally progressive armed forces officers who toppled rightist President Carlos Romero in an Oct. 15 coup promised the Cabinet members a response by tomorrow.

In a communique issued Sunday, 22 Cabinet ministers charged rightist officers with refusing to obey the moderate civilian-military junta that nominally rules El Salvador.

The statement accused the Defense Ministry of ordering a string of army attacks in the last two weeks that killed nearly 40 leftists occupying farms and factories to press for higher wages.

The Cabinet ministers demanded that the armed forces proclaim "the landed oligarchy and its allies as the enemy of the process of change and that the junta effectively assume command of the armed forces."

The communique highlighted the explosive problems faced by the young officers and the junta, which promised widespread reforms to end El Salvador's poverty and pacify the leftist militants who had grown powerful fighting Mr. Romero's regime.

Outpost Attacked

El Salvador has been rife with unconfirmed reports of an impending counter-coup by rightist military officers and wealthy landowners and businessmen who charge the young officers and the five-man junta are too far to the left.

In other incidents, two soldiers were killed yesterday in a guerrilla attack and a Salvadoran newspaper published letters from a kidnapped ambassador being held by another guerrillas organization.

The two soldiers were killed and the other was critically injured when about 50 members of the Armed Forces of National Resistance attacked a National Guard outpost at Izalco, about 50 miles east of San Salvador.

Another guerrilla organization, the Popular Liberation Forces, released two short letters from the South Africa's ambassador in El Salvador, Archbishop Dunn, who was kidnapped Nov. 28.

The letters from Mr. Dunn to his wife and a friend of the family were published yesterday in a San Salvador newspaper. The one to his wife stated that "God willing, everything will succeed." In the other letter, Mr. Dunn asked his friend to arrange business affairs.

New Air Facility

Opens in Peking

PEKING, Jan. 1 (AP) — Peking's new \$32-million air terminal opened officially today with a Chinese Boeing 707 flight to Tokyo.

The new terminal building is designed to handle 1,500 passengers an hour, compared with 4,000 a day for the old terminal built in 1958. Modern luggage handling systems replace the old system of sending bags in by truck from arriving planes and dumping them in a central lounge.

The facility has two satellites, each of which has eight boarding gates, although only four now are in use. One side is for international and the other for domestic flights.

The building has two restaurants, a post office, a bank and shops. A 300-bed hotel is available for passengers in transit.

Peking Paper Says Getting Rich Is Now an Accepted Socialist Goal

PEKING, Jan. 1 (AP) — It is time for China to revive the old new year's greeting of "Kunghsi Fatsai" — congratulations and get rich — discarding the idea that rich is evil, China's leading newspaper said today.

In the "old society," the People's Daily said in a commentary, the idea of getting rich could not be divorced from the idea of exploiting workers and peasants, and the saying died out with the Communist takeover in 1949.

Then, it said, the Communist Party's radicals pushed the idea of the glory of poverty and shame of wealth, ignoring China's aim of overcoming its poverty. "The getting rich we are talking about is an increase in Socialist material wealth, gradually enriching the living standards of the masses," it said.

And to help the society get rich, it added, living standards should improve faster for those who make bigger contributions to improving the collective wealth.

Another article in the paper reported that some people still fear showing any sign of relative wealth, and that local officials are not signaling clearly enough that getting richer in return for hard work is all right now.

"If we don't eliminate this 'fear,' it will be hard to bring more dynamic economic activity to the rural villages," it said.

Spending Hour a Day on Calls

Carter Phoning Democrats in Election Bid

By Steven R. Weisman

WASHINGTON, Jan. 1 (NYT) — President Carter, who took himself out of the candidates' debate in Iowa to avoid engaging in partisan politics, is spending an hour a day calling around the country to line up support for his re-election campaign.

White House officials said yesterday that Mr. Carter makes an average of 20 calls a day, although over the Christmas holidays he made many more than that from his retreat at Camp David, Md. The calls last a few minutes or less, the officials said.

"He telephones a good cross-section of people," said Diana Rock, deputy campaign manager for the Carter-Mondale Presidential Committee. "Our regional coordinators in Iowa, for example, pass on names of supporters, plus people on the borderline, people who might be encouraged to work for us if they get a call."

At the White House, the calls are coordinated by Sarah Weddington, assistant to the president, from a list submitted by both campaign and presidential aides, officials said.

One White House assistant said that, on the average, Mr. Carter spends an hour or two a day on the calls. He said that Mr. Carter has spent more time making the calls during weekends than on weekdays.

Campaign Issue

The calls have become an issue in the presidential campaign now that Mr. Carter has withdrawn from the Iowa debate, saying he needed to devote his time to the crises in Iran and Afghanistan.

Aides to the president say Mr. Carter felt he could not seek broad bipartisan support for his foreign policies if he engaged in a partisan debate with his Democratic Party opponents. The debate, scheduled for Jan. 7 in Des Moines, was to be sponsored by the Des Moines Register Tribune.

Although White House spokesmen assert that Mr. Carter's political advisers had advised against canceling his debate appearance, many politicians in Washington say Mr. Carter would benefit politically from the cancellation. They reason that a debate would simply have given Mr. Carter's rivals an opportunity to dampen what most experts say is a tide of popularity in the president's favor.

Supporters of Mr. Carter's rivals — Sen. Edward Kennedy of Massachusetts and Gov. Edmund Brown Jr. of California — accused Mr. Carter of hypocrisy in withdrawing from the debate.

White House officials claimed yesterday that there was no inconsistency between the calls and Mr. Carter's posture toward the debate. "I don't think anyone would deny that there's a re-election campaign going on," said one official. "The telephone calls are one of the few things the president can do for his campaign without assuming a public posture of campaigning, which would be counter to his policy of neutrality."

Comsat, the company is known informally, would be the dominant partner in the new venture, the sources said, and Sears would help finance it and deliver and install the receiving antennas and other pieces of equipment that each subscriber's house would require.

Officials of neither company were available for comment yesterday.

Antenna, Decoding Machine

Comsat officials have said that they may be able to equip a house with the antenna, decoding machine and other accessories for little more than \$200 or \$300.

A subscriber would also pay a monthly service fee of \$15 to \$20 and would receive several channels of programs, films, sports events and other material not available over regular commercial stations.

The service, if approved by the Federal Communications Commission could become a rival for the

broadcast networks and cable television systems.

Comsat started the television industry earlier last year when it announced its intention to offer in the next several years direct satellite service as an alternate program source for subscribers.

The company, which is best known for its satellite launching capability and its operation of satellites that provide overseas telegraph and telephone links to domestic communications companies, expects to file its formal application with the Federal Communications Commission for the home service in the next two or three months.

Sears' involvement of Comsat would help shoulder the estimated \$1-billion cost of system development, construction of equipment, and launching of the satellites needed to provide the service.

In addition, the familiar name of Sears and the company's broad marketing ability would also be available to Comsat.

Philippines Confirms Crash of 3 Lost Jets

MANILA, Jan. 1 (UPI) — Philippine authorities today confirmed that three Singapore Air Force jets missing for 14 days crashed near the top of a 3,600-foot high, cloud-covered mountain.

A Philippine helicopter flew over the crash site on Mt. Demahante 95 miles northeast of Manila but could not get close enough to see if there were any survivors, according to a Philippine Air Force spokesman.

The three Skyhawk jet fighters disappeared Dec. 19 after taking off on a training flight from U.S. Clark Air Force base, 50 miles north of Manila.

Wife, Brother Forced to Sign Statements

Kin of Park Killer Said Tortured

By Richard Halloran

WASHINGTON, Jan. 1 (NYT) — The wife and brother of Kim Jae Kyu, the convicted assassin of President Park Chung Hee of South Korea, have been arrested, tortured and compelled to sign false statements against him, according to a cousin of Kim in the United States.

The cousin, Doug Kim, recently visited Seoul, where he said he learned of the torture and forced signatures from members of Kim's family.

Doug Kim, who is a U.S. citizen, also said that two younger brothers of Kim Jae Kyu's wife had been detained and tortured. He said he could not determine whether they had signed false statements.

In addition, Doug Kim said, a senior official of the army prison in which Kim Jae Kyu, a former director of the Korean Central Intelligence Agency, is being held has threatened to have three generations of the Kim family killed if they attempt to help him.

Death Sentence

A spokesman for the South Korean Embassy here said he could make no comment at this time but would refer the allegations to Seoul.

The motive behind the torture and false statements, Doug Kim said, appeared to be an attempt to discredit Kim Jae Kyu politically. He was sentenced to death on Dec. 20 for shooting Park during a private dinner meeting on Oct. 26.

News dispatches from Seoul have said that Kim Jae Kyu was considered a hero and patriot by some students, dissidents and other critics of Park's authoritarian rule. He was known to have disagreed with Park's policies for the last eight years and to have urged a lessening of the repression.

Doug Kim said he had decided to speak out, despite warnings from South Korean authorities to remain silent, to try to ease the pressures on his family in Seoul. He said that members of his family in the United States planned to ask the State Department on Monday to try to persuade South Korean authorities to respect the human rights of Kim Jae Kyu's family.

The account of the alleged arrest and torture given by Doug Kim was obtained from relatives of Kim Jae Kyu in Korea and in a visit with the latter's wife. The main points follow:

Shortly after Kim Jae Kyu shot Park, the wife of the former intelligence agency chief, Kim Young Hee, his brother, Kim Hang Kyu, and his wife's two younger brothers, Kim Tong Hee and Kim Sang Hee, were arrested. Kim is Korea's most common name but the two families are separate.

Could Hear Screams

The four were taken to the army security command's headquarters where they were put into separate rooms but close enough so that, later, each could hear the screams of the others. Mrs. Kim was ordered to change into an army uniform but

refused. Soldiers then tore off her clothes and forced her into the uniform.

Mrs. Kim was then beaten, had electric shocks applied to her and was forced to stay awake under a strong light shining into her eyes. Finally, she was compelled to sign a statement that relatives later said was false.

The statement said that Kim Jae Kyu had taken money from government funds to enrich himself and that he had hidden that money abroad with his wife's help.

The document also said that Kim Jae Kyu had planned the assassination of Park so that he could succeed the president. It further asserted that some army generals were involved in the plot. Finally, the statement said that Mrs. Kim forfeited all of her property, savings and assets, which are currently frozen, to the Korean government.

Kim Jae Kyu's brother, Kim Hang Kyu, received the same treatment. Family members said they had seen bruises and scars on his legs where he had been beaten. The brother disappeared for a month after that but is currently under house arrest.

The statement he signed was similar to that of Mrs. Kim, admitting that as a businessman he had helped Kim Jae Kyu spirit money out of Korea illegally. He also forfeited his assets to the government.

Israelis Disappointed

Carter Sets Only Small Rise In Aid Package for Tel Aviv

TEL AVIV, Jan. 1 (AP) — The Carter administration announced yesterday that it would recommend an aid package for Israel next year including only a small increase, and Israeli officials today expressed disappointment with the decision.

The U.S. administration said that it would recommend an aid package for the fiscal year beginning next October including \$1.1 billion in military aid, \$785 million in economic aid and a \$200-million loan at 9-percent interest.

The Israeli officials, while careful not to appear ungrateful for the aid, predicted cuts in defense spending and continued economic austerity. Israel had been hoping for a significant increase in U.S. economic and military assistance. Defense Minister Ezer Weizman's talks last week with U.S. leaders in Washington had raised expectations that aid would be increased.

Israel, which is receiving \$1.785 billion in aid this fiscal year, requested nearly double that amount but had realistically figured on an aid package between \$2.2 billion and \$2.6 billion. Instead, Mr. Carter renewed the current aid and added the \$200-million loan.

Continued Austerity

"This is what is in our hands," said Israeli Finance Minister Yigal Hurvitz. "We will have to make due with it and not climb the walls." Mr. Hurvitz, who is instituting large cutbacks in government spending, warned Israelis of continued austerity and said that the nation would have to respond with higher productivity and less consumption and imports.

Foreign Ministry officials here refrained from commenting publicly on the U.S. decision, saying only that a message of appreciation would be sent to Washington. But other sources expressed disappointment. The Jerusalem Post quoted an unnamed Cabinet minister as saying, "Israel's efforts for the sake of Middle East peace should have

been rated higher, especially at such a time of upheaval in this part of the world."

Moshe Arens, the chairman of the Knesset's foreign affairs committee, said that he regretted that Israel had little ability to pressure Washington into helping Israel meet the costs of the peace treaty with Egypt because it already had signed the pact.

Economists predicted that Israel's recession would be deepened because the government would be forced to cut more expenditures and further devalue the Israeli pound against foreign currency.

Defense Cuts

Israeli newspapers reported deep concern in the defense establishment over the aid level, which officials predicted would force cuts in local production of planes, missiles and ammunition.

Israel has received about \$1.8 billion in U.S. aid annually for the last three years. The figures do not include a \$3-billion aid package — \$800 million in grants and the rest in loans — awarded to Israel last year to help finance the withdrawal from the Sinai Desert under the peace treaty.

U.S. Said to Plan To Bolster Base

WASHINGTON, Jan. 1 (UPI) — The Pentagon plans to spend at least \$173 million to bolster naval facilities on Diego Garcia in the Indian Ocean, it was reported yesterday.

The British-owned island, 1,200 miles south of India, is considered vital to U.S. interests in the ocean.

The Copley News Service reported that the move was in response to a study by the joint chiefs of staff prompted by developments as the overthrow of the shah of Iran, the taking of hostages at the U.S. Embassy in Tehran, fighting between Marxist South Yemen and Yemen and the presence of Soviet troops in Afghanistan.

With Sears, Roebuck as Partner

Comsat Said to Plan Satellite-Home TV

By Ernest Holsendolph

WASHINGTON, Jan. 1 (NYT) — The Communications Satellite Corp., is negotiating with Sears, Roebuck and Co. the nation's largest national retailer, to be its partner in developing the nation's first direct satellite-to-home television broadcasting system, according to communications industry sources here.

Comsat, the company is known informally, would be the dominant partner in the new venture, the sources said, and Sears would help finance it and deliver and install the receiving antennas and other pieces of equipment that each subscriber's house would require.

Officials of neither company were available for comment yesterday.

Antenna, Decoding Machine

Comsat officials have said that they may be able to equip a house with the antenna, decoding machine and other accessories for little more than \$200 or \$300.

A subscriber would also pay a monthly service fee of \$15 to \$20 and would receive several channels of programs, films, sports events and other material not available over regular commercial stations.

The service, if approved by the Federal Communications Commission could become a rival for the

broadcast networks and cable television systems.

Comsat started the television industry earlier last year when it announced its intention to offer in the next several years direct satellite service as an alternate program source for subscribers.

The company, which is best known for its satellite launching capability and its operation of satellites that provide overseas telegraph and telephone links to domestic communications companies, expects to file its formal application with the Federal Communications Commission for the home service in the next two or three months.

Sears' involvement of Comsat would help shoulder the estimated \$1-billion cost of system development, construction of equipment, and launching of the satellites needed to provide the service.

In addition, the familiar name of Sears and the company's broad marketing ability would also be available to Comsat.

Philippines Confirms Crash of 3 Lost Jets

MANILA, Jan. 1 (UPI) — Philippine authorities today confirmed that three Singapore Air Force jets missing for 14 days crashed near the top of a 3,600-foot high, cloud-covered mountain.

A Philippine helicopter flew over the crash site on Mt. Demahante 95 miles northeast of Manila but could not get close enough to see if there were any survivors, according to a Philippine Air Force spokesman.

The three Skyhawk jet fighters disappeared Dec. 19 after taking off on a training flight from U.S. Clark Air Force base, 50 miles north of Manila.

Wife, Brother Forced to Sign Statements

Kin of Park Killer Said Tortured

By Richard Halloran

WASHINGTON, Jan. 1 (NYT) — The wife and brother of Kim Jae Kyu, the convicted assassin of President Park Chung Hee of South Korea, have been arrested, tortured and compelled to sign false statements against him, according to a cousin of Kim in the United States.

The cousin, Doug Kim, recently visited Seoul, where he said he learned of the torture and forced signatures from members of Kim's family.

Doug Kim, who is a U.S. citizen, also said that two younger brothers of Kim Jae Kyu's wife had been detained and tortured. He said he could not determine whether they had signed false statements.

In addition, Doug Kim said, a senior official of the army prison in which Kim Jae Kyu, a former director of the Korean Central Intelligence Agency, is being held has threatened to have three generations of the Kim family killed if they attempt to help him.

Death Sentence

A spokesman for the South Korean Embassy here said he could make no comment at this time but would refer the allegations to Seoul.

The motive behind the torture and false statements, Doug Kim said, appeared to be an attempt to discredit Kim Jae Kyu politically. He was sentenced to death on Dec. 20 for shooting Park during a private dinner meeting on Oct. 26.

News dispatches from Seoul have said that Kim Jae Kyu was considered a hero and patriot by some students, dissidents and other critics of Park's authoritarian rule. He was known to have disagreed with Park's policies for the last eight years and to have urged a lessening of the repression.

Doug Kim said he had decided to speak out, despite warnings from South Korean authorities to remain silent, to try to ease the pressures on his family in Seoul. He said that members of his family in the United States planned to ask the State Department on Monday to try to persuade South Korean authorities to respect the human rights of Kim Jae Kyu's family.

The account of the alleged arrest and torture given by Doug Kim was obtained from relatives of Kim Jae Kyu in Korea and in a visit with the latter's wife. The main points follow:

Shortly after Kim Jae Kyu shot Park, the wife of the former intelligence agency chief, Kim Young Hee, his brother, Kim Hang Kyu, and his wife's two younger brothers, Kim Tong Hee and Kim Sang Hee, were arrested. Kim is Korea's most common name but the two families are separate.

Could Hear Screams

The four were taken to the army security command's headquarters where they were put into separate rooms but close enough so that, later, each could hear the screams of the others. Mrs. Kim was ordered to change into an army uniform but

refused. Soldiers then tore off her clothes and forced her into the uniform.

Mrs. Kim was then beaten, had electric shocks applied to her and was forced to stay awake under a strong light shining into her eyes. Finally, she was compelled to sign a statement that relatives later said was false.

The statement said that Kim Jae Kyu had taken money from government funds to enrich himself and that he had hidden that money abroad with his wife's help.

The document also said that Kim Jae Kyu had planned the assassination of Park so that he could succeed the president. It further asserted that some army generals were involved in the plot. Finally, the statement said that Mrs. Kim forfeited all of her property, savings and assets, which are currently frozen, to the Korean government.

Kim Jae Kyu's brother, Kim Hang Kyu, received the same treatment. Family members said they had seen bruises and scars on his legs where he had been beaten. The brother disappeared for a month after that but is currently under house arrest.

The statement he signed was similar to that of Mrs. Kim, admitting that as a businessman he had helped Kim Jae Kyu spirit money out of Korea illegally. He also forfeited his assets to the government.

Israelis Disappointed

Carter Sets Only Small Rise In Aid Package for Tel Aviv

TEL AVIV, Jan. 1 (AP) — The Carter administration announced yesterday that it would recommend an aid package for Israel next year including only a small increase, and Israeli officials today expressed disappointment with the decision.

The U.S. administration said that it would recommend an aid package for the fiscal year beginning next October including \$1.1 billion in military aid, \$785 million in economic aid and a \$200-million loan at 9-percent interest.

The Israeli officials, while careful not to appear ungrateful for the aid, predicted cuts in defense spending and continued economic austerity. Israel had been hoping for a significant increase in U.S. economic and military assistance. Defense Minister Ezer Weizman's talks last week with U.S. leaders in Washington had raised expectations that aid would be increased.

Israel, which is receiving \$1.785 billion in aid this fiscal year, requested nearly double that amount but had realistically figured on an aid package between \$2.2 billion and \$2.6 billion. Instead, Mr. Carter renewed the current aid and added the \$200-million loan.

Continued Austerity

"This is what is in our hands," said Israeli Finance Minister Yigal Hurvitz. "We will have to make due with it and not climb the walls." Mr. Hurvitz, who is instituting large cutbacks in government spending, warned Israelis of continued austerity and said that the nation would have to respond with higher productivity and less consumption and imports.

Foreign Ministry officials here refrained from commenting publicly on the U.S. decision, saying only that a message of appreciation would be sent to Washington. But other sources expressed disappointment. The Jerusalem Post quoted an unnamed Cabinet minister as saying, "Israel's efforts for the sake of Middle East peace should have

been rated higher, especially at such a time of upheaval in this part of the world."

Moshe Arens, the chairman of the Knesset's foreign affairs committee, said that he regretted that Israel had little ability to pressure Washington into helping Israel meet the costs of the peace treaty with Egypt because it already had signed the pact.

Economists predicted that Israel's recession would be deepened because the government would be forced to cut more expenditures and further devalue the Israeli pound against foreign currency.

Defense Cuts

Israeli newspapers reported deep concern in the defense establishment over the aid level, which officials predicted would force cuts in local production of planes, missiles and ammunition.

Israel has received about \$1.8 billion in U.S. aid annually for the last three years. The figures do not include a \$3-billion aid package — \$800 million in grants and the rest in loans — awarded to Israel last year to help finance the withdrawal from the Sinai Desert under the peace treaty.

U.S. Said to Plan To Bolster Base

WASHINGTON, Jan. 1 (UPI) — The Pentagon plans to spend at least \$173 million to bolster naval facilities on Diego Garcia in the Indian Ocean, it was reported yesterday.

The British-owned island, 1,200 miles south of India, is considered vital to U.S. interests in the ocean.

The Copley News Service reported that the move was in response to a study by the joint chiefs of staff prompted by developments as the overthrow of the shah of Iran, the taking of hostages at the U.S. Embassy in Tehran, fighting between Marxist South Yemen and Yemen and the presence of Soviet troops in Afghanistan.

With Sears, Roebuck as Partner

Com



## What Price Detente?

Things had come to a head in Kabul. It was not clear that President Hafizullah Amin would follow Soviet instructions. And increasingly it appeared that he would be overthrown by Moslem rebels. So the Russians did what comes naturally. After calculating the risks they invaded Afghanistan to insure that it remained their satellite. From the Soviet Union's perspective, it seems, a delay in the passage of Salt-2, a lapse in detente, even a temporary return to the Cold War, were less important than dominating its small but strategically placed neighbor.

A look at a map of the area and a passing knowledge of recent history are adequate to explain why. Afghanistan sits on the southern border of an oil-rich and Moslem-populated Soviet region. For the Russians, Afghanistan represents a buffer to protect its own energy supplies against potential invaders and its Moslems against the resurgence of Islamic fundamentalism sweeping much of the Middle East. Also, the only thing between Afghanistan and the Gulf, from whence comes most of OPEC's oil, are the independence-minded Baluchi provinces of Iran and Pakistan. A deep-water port on the coast of an "independent" Baluchistan would allow the ever-expanding Soviet navy to threaten the Straits of Hormuz, the narrow neck of the Gulf through which much of the West's oil must pass. It would also allow Soviet ships easy access to the Indian Ocean, which would provide substantial strategic advantages in the Middle East and the Far East.

If more arguments are needed, consider the Soviet pincer that has been formed around the once respectable "northern tier" of Western defense, Iran and Turkey. The Soviet Union is now well-established in South Yemen and Ethiopia to the south and Afghanistan to the east. In between lies the Gulf and the entire Arabian peninsula. Furthermore, Moscow has issued a warning that the Soviet Union can and will project its power, at least along its borders, with its own troops — no surrogate Cubans for this war. The United States is no doubt expected to weigh that in the balance before it risks military action in Iran.

So much for the Soviet perspective. The

proper takeoff point for analysis in the United States and Europe is Western interest. How has it been damaged by the Soviet take-over in Kabul and what is the appropriate response? Since the United States cannot be expected to invade Afghanistan and throw the Russians out, what hope is there of undoing the Kremlin's farewell to the '70s?

One thing that will not work, it should be obvious, is impotent rage backed by empty threats. Whatever the Carter administration plans as a response aimed at achieving a Soviet pullout — and it must come quickly — should be well thought out and amenable to implementation, unlike the fiasco over the Soviet brigade in Cuba.

Since the Russians appear to have written off the SALT-2 treaty for the time being, its withdrawal from consideration does not represent a credible threat. There are, however, a series of actions the United States could take, some in concert with its European allies, some with China, that might have an effect. These include a cutoff of wheat shipments to the grain-poor Russians, a sharp curtailment on trade in general and technology transfer in particular, a new and tougher statement of purpose on basing Cruise and Pershing-2 missiles in Europe, defense consultations with China raising the possibility of arms sales, a threat to boycott the Moscow Olympics this summer and arms and other aid for the rebels trying to overthrow Kabul's Moscow-installed government.

No hostages' lives are at stake in Afghanistan, so there is no need to build pressure slowly. If the Soviet Union continues to probe and find much, it will continue to probe. Failure to produce the neutron bomb and the B-1 bomber, the Carter administration's backing down on the brigade in Cuba and U.S. failure to meet Soviet challenges in Africa have all contributed to a Soviet perception that the United States is soft and can be pushed around. Tough action is needed this time. It will surely damage, if not destroy, detente, but what price detente?

INTERNATIONAL HERALD TRIBUNE.

## When Oil and Gold Mix

The latest wild leap in gold prices is great news if you happen to be a speculator with several bars buried away in a bank vault or in your back yard. It will be heartwarming for South Africa and the Soviet Union, the major gold-producing countries. For everyone else it is a nuisance, an irritant, and perhaps worse.

Traditionally, the fluctuations of gold prices had little more than what the financial crowd calls psychological significance. They were an indication of the state of the financial crowd's nerves, but they had little impact on the way the world's real economies worked.

But at its present level and rate of rise, the price of gold is not only a reflection of a certain kind of speculation, but also a positive inducement to continue it. The sight of people getting rich off nothing but a few phone calls inevitably draws more people into the game. Gold is merely the most visible and countable commodity in a vast and soaring market in nonproductive speculative assets — paintings, antiques, jewels and a great variety of metals. A large amount of the world's loose wealth is now going into that market. When speculative money goes into the other kind of assets — tools, business expansion, new construction — it generates jobs, higher productivity, better living standards and good things like that. But the ounce of gold that sold last week for \$516 is no more useful than it was a decade ago when it went for \$35 — and, like most gold, it is sitting in a safe deposit box, it is not useful at all.

There is also the ominous historical point

that this kind of speculative binge has generally ended badly. Often in the past these surges have crested without warning and suddenly collapsed. When a price collapses, the speculators' wealth is not merely transferred to someone else to spend. It simply vanishes. That is the first phase of the classic financial panic, which can then easily translate itself into real economic distress for all sorts of people who never had anything to do with the original speculation. Theoretically, the world's present system of money and credit has been buttressed against that kind of shock. But whether the protection suffices cannot be known until it is actually tested.

It is obvious that the gold price is being driven upward by people, mostly from the Gulf, with very large amounts of oil money to invest — or to hide. But perhaps there is a further — and tighter — relation emerging between oil and gold. Hints have appeared in recent months that some of the sellers of oil are coming to think of its price not in dollars, but in ounces of gold. A year ago, a barrel of oil was worth 0.06 ounces of gold; by midsummer, it was up to nearly 0.07 ounce. Since then, the average official price of oil — in gold — has fallen to about 0.055 ounces. While the buyers complain bitterly of the terrific price in dollars, some of the sellers apparently are aiming at getting back up to the previous gold-to-oil ratio. If that is true, the prices of gold and oil may be pushing each other upward in a vicious circle. It is a certain formula for the regrettable phenomenon that the financial crowd — along with everyone else — calls a speculative crash.

THE WASHINGTON POST.

### International Opinion

#### Indubitably an Invasion

The Soviet Union's invasion of Afghanistan is indubitably that — an invasion. It is an invasion, moreover, not of a hostile country — the Afghanistan president captured and executed in the Russian attack was, as his predecessors before him, sympathetic to and supported by the Soviet Union.

The Russians wanted the kind of direct power in Afghanistan which they had seized in Czechoslovakia from a liberal Communist regime; they were no longer content with mere influence.

— From The Globe and Mail (Toronto).

#### In the International Edition

##### Seventy-Five Years Ago

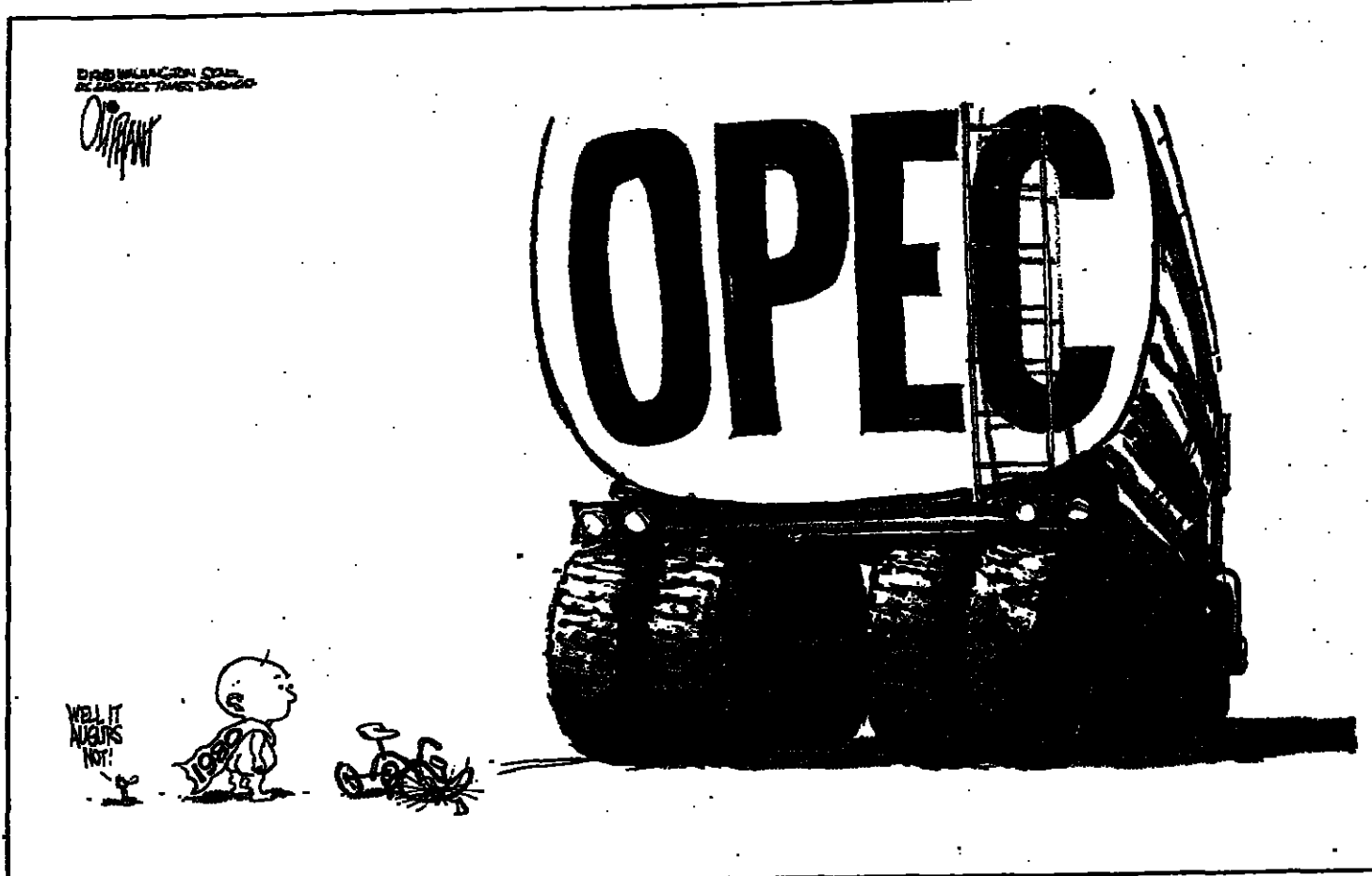
January 2, 1905

NEW YORK — The New York Sun said in an editorial: "Senator Depew was unquestionably the choice of the great body of the Republicans in New York to represent their majestic state in the federal Senate — certainly, as between him and the man put forward by the noxious and obvious political machine. He has rendered long and great services to his party, and has always been on hand to champion and defend it, even when it went wrong. He is a happy and graceful presence in the full vigor of health. With his host of friends and no enemies we know of, long and prosperous may be the career of Clarence Mitchell Depew."

##### Fifty Years Ago

January 2, 1930

WASHINGTON — Another indication that the measures adopted by Dry agents in enforcing the liquor laws are supported by their superiors was given today when Seymour Lowman, assistant secretary of the Treasury in charge of Prohibition enforcement, declared the slaying of three alleged rum-runners by Coast Guardsmen was "unfortunate but unavoidable." He added that they had only themselves to blame. Mr. Lowman's views on the killings followed a statement by Rear-Admiral Frederick Billard, commander-in-chief of the Coast Guard, in which he insisted that the laws could not be enforced with "soft words and amiable gestures."



## Another Move in Russia's Great Game

By C.L. Sulzberger

PARIS — The oldest conceptual effort of Russian foreign policy has been the southward search for warm water ports. Catherine the Great pushed unsuccessfully toward the Mediterranean through Turkey and Stalin asked Hitler's permission to penetrate the Dardanelles. Pressure was again applied on Ankara after World War II.

Concurrently a less flamboyant, but more successful, thrust snaked across Central Asia toward Iran and Afghanistan. Should either nation ultimately disintegrate the way would open to a Russian lodgment on the Indian Ocean, across landlocked Afghanistan.

This way is blocked only by restive Baluchistan, a tribal area that extends from the southern Afghan border with Pakistan almost to Karachi and along the southeast coast of Iran. Both sections of Baluchistan are now gripped by restive separatist movements.

Russia's southward drive during the past century has been persistent within that approximate time span, it has overrun a series of formerly independent states — Khiva, Kokand and Bukhara. The emirate of Bukhara was only declared a Soviet republic in 1924.

### The Game

When the British Empire ruled in India, English elements spearheaded a huge army that lay in wait behind Afghanistan in case of a Russian invasion. After decades of unrest Afghanistan had been more or less generally accepted as a neutral buffer. But even then, what was called "The Great Game" was being played for control of Central Asia's juncture with the Indian subcontinent.

Britain's imperial domain weakened and dissolved after two world conflicts, India and Pakistan split, both gaining independence. The Indians and Afghans quarreled with Pakistan while making subtle gestures to each other — and to Moscow — in the recent version of the game. Meanwhile the United States, which had assumed the burden of defending Greece and Turkey when this was given up by bankrupt Britain, never attempted to repeat that effort on the much vaster scale required in the subcontinent.

Afghanistan's last monarch, King Mohammed Zahir Shah, told me in Kabul in 1950 that his country's relations with Moscow were "normal" and that communism could make no headway because it was opposed by Islam and there was "no great difference between the classes."

"On a visit in 1957, the king's cousin, Premier Prince Mohammed Daud, said: 'I can assure you this will be the very last country in the world to become communist.' Daud's brother, Prince Naim, the foreign minister, recalled that Afghanistan had sent one battalion to help Bukhara fight for independence in 1924 but added: 'Objections from a small nation such as Afghanistan don't count much against a great power.'"

### Illusion

This theater of illusion faded from the world scene in 1973. Daud ousted the king in a coup and declared a republic of which he promptly became president. Daud was suspected of seeking close ties with Moscow. But suspicions were laid to rest when Nur Mohammed Taraki overthrew Daud in 1978 and clearly tilted policy toward the Soviet Union.

Since then the pace has accelerated. Taraki was succeeded by Hafizullah Amin who has just been chucked out and killed by Babrak Karmal. If, as everyone said, Amin was more strongly inclined toward the Kremlin than Taraki, Karmal is wholly pro-Kremlin and Russia has insured this by openly pouring in troops to support him.

Obviously Moscow does not expect to turn the turbulent, illiterate Afghan tribes into devoted Marxists for years to come. The Great Game has always been played with cautious deliberation and even the current crunch is unlikely to produce global crisis. The game's object is geopolitical advance toward an Indian Ocean port, whether Karachi or a Baluchi fishing town, by seizing Afghanistan and eventually crumpling Pakistan, Iran — or both.

Many people, when considering the Soviet move into adjacent Islamic areas, still say — as did Afghanistan's last king — that Moslems will not accept Marxism. Yet, looking at the enormous arc from Azerbaijan in the west to Uzbekistan, bordering China in the east, one becomes skeptical.

A great power ruthless enough to use its army against allies (like Hungary and Czechoslovakia) or neighbors (like China and Afghanistan) is obviously prepared to stamp out or ignore protest anywhere. Islam is only a supine, vestigial religion in Russia although tens of millions of Soviet citizens are of Moslem descent.

Anyone who has seen Russian military parades through Tashkent, the Uzbek capital (troops that are obviously Slavs whose Asian co-citizens serve in Europe) must remember today's basic fact. The imperial instinct in Asia was not limited to the British regiments in India described by Rudyard Kipling.

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## The Show Is Almost Over

By David S. Broder

WASHINGTON — The chief of a European intelligence service who was visiting Washington last winter used a curious phrase to describe the negotiations, then in their final stage, between the Soviet Union and the United States on the strategic-arms limitation treaty. "That is cinema," he said. "That is what they give you to interest and distract you, while they do their serious work elsewhere."

He had brought with him to our meeting a map of the world. He pointed to Ethiopia, where the Russians had established a foothold at the outlet of the Red Sea into the Gulf of Aden and the Indian Ocean. He pointed across the strait to North and South Yemen, on the base of the Arabian peninsula, where Russian arms were being used by warring tribesmen.

### Supplies Cut

He swung his hand upward, across Saudi Arabia and Iraq to Turkey — where there was growing unrest, in part the aftermath of the arms embargo the United States had applied and then lifted in the Cyprus dispute. He moved south-east to Iran, where the shah had just been overthrown and the U.S. government was making efforts to ingratiate itself with what it took to be a moderate government.

Then east again to Afghanistan, where he said the U.S. administration had declined to supply clandestine arms to Moslem rebels opposing the pro-Soviet puppet government. That country, he said, would surely be annexed to the Soviet empire unless the West signaled it would strongly resist such a move. And then he drew a line from Afghanistan's southern border through Pakistan — cut off from additional U.S. weapons, because of a nuclear-proliferation dispute — to what he said was the ultimate Russian objective: a warm water port on the Arabian Sea.

At the center of this circle, he showed me, was the Gulf and the narrow Strait of Hormuz, where sinking a single ship could cut the oil lifeline on which Japan, Europe and the United States depend.

"That," he said, "is what is real to them. SALT and the rest — it is cinema to distract you." It seemed rather melodramatic at the time, but it is not the sort of speech one can put out of mind. And now that the Soviet invasion of Afghanistan has quashed the hopes of SALT's ratification — in the minds of everyone except President Carter and his spokesmen — one wonders, uncomfortably, how much else in our foreign policy is also cinema and illusion.

Is there — to ask an uncomfortable question — any reality to the administration strategy for securing the release of the hostages in Tehran? Or is it cinema? At home, we have lit lights, sung songs, sent letters and prayers. Congress, the United Nations and the World Court have affirmed the illegality of the embassy seizure. Now there is another UN mission to Iran, to be followed by another set of toothless sanctions.

### No Incentive

Are we not conceding from ourselves, with this cinema, the fact that the terrorists have paid no price for their action and have been given no real incentive to release the prisoners — and release the United States from this psychological bondage?

And an even harder question to face: Is there a sense in which the hostages themselves are a cinema — a preoccupation which lets us avoid the larger issues in what has occurred? Their lives are precious, but their lives have been subject to the will of others from the moment the embassy was seized without a shot.

Does a policy of patience improve their chances? It is not clear that it does. Each day in Iran brings fresh dangers of religious and tribal wars that could topple Ayatollah Khomeini and unleash fearful vengeance on those in the reach of his followers. He himself can be driven to extreme action by the weakness of his internal position.

### New Equation

It has been my belief from the first week of this crisis that when the cinema is finished, when all the resolutions have been passed — and ignored — the government of the United States will have to act, of its own will, to change the equation. For the sake of the prisoners and, equally, for the first step in salvaging a deteriorating situation in a vital part of the world, our government will have to set a deadline for retaliation. Such a deadline would force the captors and their leader to decide what price they are prepared to pay for their persistence in what is, in fact, an act of war.

That is a chilling prospect with which to begin the new year. But the cinema is about over.

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## Letters

### The Angry U.S.

As an American just returned here after traveling the United States for a year, I would add to Mort Rosenblum's message (IHT, Dec. 11) of unanimous anger over Iran that the ashes of our Vietnam experience, far from tempering the sting of Ayatollah Khomeini's cheek-slapping challenge, have helped fire pay-the-price resolve to avenge it. Even if the hostages are released, it will take a brave — and one-term U.S. president to exercise great restraint. If they are slaughtered, Carter had better lead the crusade, or get trampled.

EDWARD B. ROHRBACK, Paris.

### Declare War

Iran's free access to U.S. television under the guise of interviews should not be allowed to continue. There are at least three good reasons for stopping it immediately.

• It is deeply immoral that U.S. newsmen should interview crim-

nals engaged in the act of torturing their fellow citizens.

• By spreading the views of Khomeini and his henchmen, U.S. (and other) journalists prolong the agony and torture of the hostages, for as long as Khomeini can be assured of this free propaganda in the United States, he will not, of course, let the hostages go.

• Constant exposure to enemy propaganda will inevitably demoralize the nation and lead, eventually, to unconditional surrender.

There is a simple means to stop all this: The U.S. government should formally declare war on Iran, and bar publication in the United States of any kind of enemy propaganda whatsoever.

Such a declaration does not necessarily imply a shooting war. It will simply allow the United States to stop the people of the press from endangering the safety and lives of the hostages, and the safety and survival of the United States itself.

I. van der SLUIS, Amsterdam.

### Good Excuses

Every human being, bar none, has a massive built-in resistance against recognizing and acknowledging personal and national guilt. After 28 years in Germany, I still marvel at the overwhelming number of intelligent, educated, relatively informed Germans who wax indignant and outraged over the less than reticent behavior of Soviet troops when they entered Germany towards the end of the Second World War. How easily and conveniently such Germans still overlook the appalling extent of the unprovoked human slaughter and material devastation wrought

previously in those troops' homeland by other Germans. If that slaughter and devastation failed to provide an excuse for those Soviet troops' rampaging, it did at least provide an explanation.

By the same token I marvel today at the overwhelming number of Americans who wax indignant and outraged over anti-American feelings and actions in Iran. How conveniently such Americans overlook the chronological sequence: After the Iranian people had finally succeeded in overthrowing a feudally despotic regime, throwing a deeply hated tyrant out of the country, and installing a democratic government with strong popular support, the CIA dictatorially reinstalled that same deeply hated tyrant and permitted him to continue — for an entire quarter-century — his plundering, torturing, and killing. If that chronology provides no excuse for the most drastic recent Iranian actions, it does provide an explanation — and also food for thought about Washington's ghastly longstanding tendency to support a long list of monsters as long as they were — and are — anti-Communist monsters.

PAUL MOOR, Berlin.

### True Concerns

The reported failure of President Carter to impose a fee on imported oil, remove control on gasoline prices or increase the gasoline tax (IHT, Dec. 22-23), should help us realize how genuine his concern is about his re-election and how little it is about energy conservation.

J. ESCUTIA, Paris.

## Carter Plays Politics With Crisis

By William Safire

WASHINGTON — Remember "the Rejected Counsel"? He's the White House staffer who job it is to go into the Oval Office times of crisis and say "Mr. President — do the popular thing! The easy way!" The president then says: "Some of my advisers have suggested that I do what is politically popular. I have rejected such counsel."

He is apparently alive and well. The Carter White House. For Powell has been buttonholing porters to press upon them the tails of a political memorandum wrote to the president. Since Powell does not usually leak to and sundry such confidential advisers, the information is necessarily suspect.

Sure enough, the memo — a purported summary of the views of senior political advisors to the president — is a classic case of the rejected Counsel. With a straight face it lists the reasons the president would find it politically harmful to duck out of the scheduled debate with Sen. Kennedy and Gov. Brown on Jan. 7 in Des Moines, Iowa.

And then, true to form, reports are informed — on background, of course, this stuff is really confidential and they should use it high in the story — that President Carter wrote ruefully across the top of the memo that the points were all well taken but that the national interest comes before the crass and petty demands of partisan politics. The president rejects "the easy way" of debating his challengers because the country needs him.

### The Truth

Now let us look at the truth right side up. Every politician knows that when he is running behind, he should debate his opposition; when ahead, he should duck a debate. That is why President Johnson refused to debate Sen. Goldwater. President Nixon refused Sen. McGovern, and why Mr. Reagan refuses other Republicans today.

Last fall, with his popularity at a nadir, Mr. Carter accepted the Des Moines Register's invitation to debate Sen. Kennedy, who was riding high. Now with presidential popularity hyped during a crisis, Mr. Carter would have everything to lose and little to gain by debate.

So, Mr. Carter thinks he is playing smart. We all know that the White House is the best political slum, and that "being presidential" is the best pose for a campaigning president. By looking suitably grim and ostentatiously cutting short weekends at Camp David to worry with his non-political advisors, he perpetuates the crisis atmosphere and keeps his ratings up.

If he were to debate, Mr. Carter would be forced to forego his no-questions-please dramatic announcements on television. He would have to defend economic policy that led to a 13 percent inflation, and explain why we should believe his projections of a \$15-billion budget deficit next year — when his prediction for this year is turning out to be \$15 billion too low.

What politician needs that? The president is better off running against Ayatollah Khomeini than Sen. Kennedy and Gov. Brown, which is why — for the first time — Mr. Carter finds the White House a refuge instead of a trap.

Curiously, at least one of the Rejected Counsels, campaign manager Robert Strauss is sincerely uncomfortable with his boss' notion of smart politics. Mr. Strauss did not support the original decision to debate, and realizes that the alibi for withdrawal at the last minute will not be universally believed.

### Exploitation

The reason Mr. Carter's political exploitation of the crisis will fail is that, after eight weeks, Americans are awakening to the fact that their president has been doing nothing. He sternly warns of "grave consequences" and the Iranians laugh at him; he orders Iranian diplomats out of the country in five days and they still have not gone; he demands that the rest of the world apply sanctions but the United Nations' sancti; he accepts national humiliations and readily lets the Soviet Union feel free to launch the invasion of Afghanistan. As Mr. Carter awaits a shift in the polls, the world senses a shift in the balance of power.

The plain fact is that he could just as easily parade his passivity in Iowa as in the Situation Room. As a much-trampled-upon doorman flies atop the White House flagpole, a president desperate to avoid the rough-and-tumble of political debate offers as his excuse the notion that he must issue his empty threats, dispatch his helpless emissaries, and wring his hands right from the center of impotence.

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## Obituary

Musical Comedy Composer  
Richard Rodgers in N.Y.

By Alden Whitman

NEW YORK, Jan. 1 (NYT) — Richard Rodgers, 77, the composer of "The Sound of Music," died at his East Side home in Manhattan Sunday night after a long illness.

Mr. Rodgers, who had been ill for some time, died at his home in Manhattan Sunday night after a long illness. He was 77 years old.

His collaboration with Hart from 1918 until shortly before Hart's death in 1943, his collaboration with Hammerstein from 1942 until Hammerstein's death in 1960, and his less notable collaborations after 1960.

Mr. Rodgers some years ago cited some of the distinctions between his two principal collaborators. "Larry was a great lyricist," he said. "He was inclined to be cynical, where Oscar never was. Oscar was more sentimental and so the music had to be more sentimental. It wouldn't have been natural for Larry to write 'Oklahoma!' any more than it would have been natural for Oscar to write 'Pal Joey.'"

Through his work with Hart and Hammerstein was highly successful, his contributions to the growth of musical comedy were particularly marked in the Rodgers and Hammerstein partnership.

Unlike many musicals of the 1920s and 1930s, which sandwiched thin and improbable stories between pretty girls and bursts of singing, the Rodgers and Hammerstein shows strove to offer full-dimensioned human beings as the principal characters and to project somewhat probable plots. Beautiful girls remained, but instead of kicking in chorus lines, they performed dances intricate enough to be choreographed into ballets.

The composer struck off the formidable total of 1,500 songs, at least 85 of them regarded as "standards" or popular classics, in the music publishing industry.

Best Songs  
His best songs included these: "The Blue Room," "Mountain Greenery," "My Heart Sings Still," "With a Song in My Heart," "There's a Small Hotel," "Fanny Valeriano," "The Lady Is Tramp," "This Can't Be Love," "Bewitched, Bothered and Bewildered," "Oh, What a Beautiful Mornin'," "If I Loved You," "June Is Bustin' Out All Over," "Bali Hai," "I'm in Love With a Wonderful Guy," "Some Enchanted Evening," "Getting to Know You," "My Favorite Things," "Climb Every Mountain," "Isn't It Romantic," "Easy to Remember," "It Might as Well Be Spring," and "It's a Grand Night for Singing."

There were 42 Rodgers musicals on Broadway over the years. There were also a number of television series and specials with his music in the background.

Film versions were made of 19 Rodgers musicals, and dozens of the Broadway productions have been revived in theaters in the United States, Europe, the Middle East, Africa and the Far East. At one point in 1975, 60 productions of "Oklahoma!" were under way in the United States and abroad.

Richard Rodgers was born of well-to-do parents, Dr. William Abraham Rodgers and Mame Levy Rodgers, in New York on June 28, 1902. Encouraged by his mother, an excellent pianist, and by his physician-father, who liked to sing Broadway operettas at home, Richard learned to pick out tunes with one finger on the piano when he was 4.

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Pierre Sechet, Francois Drouin and Michele Castellengo test flute with electronic tuner.

## Music

## Notes on Making 18th-Century Flutes

By Carol Douglas

PARIS (IHT) — "If you can't find a good flute, make your own." So advised the music teacher of Frederick II of Prussia more than two centuries ago. Today, three French enthusiasts of *musique ancienne* are answering that challenge, to try to construct the best 18th-century flutes the 20th century has heard, undaunted by the need to reinvent a lost tradition in order to make one-key wooden transverse flutes.

Pierre Sechet is a professional flutist, teacher and recording artist. Michele Castellengo is a researcher at the acoustics laboratory of the University of Paris. She has dedicated more than a decade to blowing through every musical tube she could find to write her thesis, "Contribution to the Experimental Study of Mouth Pipes." Francois Drouin asserts that before starting this project he did "nothing." But he admits having had the luck to learn a little woodworking at school and to work briefly with Claude Monin, the only person in France at the time to hand-make recorders. "Otherwise," he said, "I would never have dreamed this could be done."

Sechet, judging by seniority and the deference shown him by the other two, is the group's tacit leader. He is big, given to wearing old sweaters and baggy corduroys and speaking somewhat heretically: "I only go to flute recitals if I have to for professional social reasons. They bore me silly."

Surrounded by wooden flutes in his studio, Sechet explained, "Our goal is to discover the real nature of an ideal transverse flute of the 18th century and to reconstitute such an instrument. My accomplices and I had each wanted to do this and met each other essentially by chance. When I first met Michele, she started by asking me a question, which I answered by two more, and since there were only questions we continued to see each other."

"I'm involved in all this because I needed an instrument. Eighteenth-century texts taught me that you can't give an authentic performance of Baroque music on a modern instrument because if you obey the principles of the 18th-century masters you play the silver flute quite badly. And if you play the one-key flute in the style of contemporary teachers, you end up playing that instrument badly."

The music that Sechet is referring to is far from obscure: its composers range from, among others, Lully through Purcell, Telemann, Pergolesi, Bach and Handel, to Haydn and Mozart.

"There were already a few makers, in Germany, the United States, England, but I couldn't find the quality I wanted," he continued. His face briefly abandoned its customary deadpan expression: "Also, we're quite *cocorico* — chauvinist. We want to be able to say that we do the same thing in France, and better."

To reproduce a flute accurately, the least you need are good examples of it. They're not easy to find. Says Sechet: "Out of 50 flutes from the 18th century, one or two will be mediocre and the rest will be very, very bad. Out of a thousand, one or two will be good. These instruments were never made to be old; they were made to be played. A wooden flute reaches its peak sonority very soon — after maybe a month of playing — and deteriorates from then on."

"So, if the thing started out decent, chances are it was played until either ruined or lost, while if the flute never had been any good, it was likely to be preserved in someone's drawer or collection — seen, perhaps, but not heard."

Examining System  
To reproduce the original instruments, the three have laboriously perfected their own flute-examining system. They trace the instrument's history, judge it subjectively and analyze it scientifically. Then Drouin incorporates the assessed data into the making of new flutes.

Sechet, who won first prize in flute from the Paris Conservatory, makes the first-line judgments on the old instruments: "It's good if, when I blow in it, I'm happy. Unfortunately there's no other way to decide. The major problem with old instruments is that they're out of tune, between certain octaves, between notes. With tape recordings and various physical and mechanical measurements, we correlate characteristics of the bore with qualities or defects in the sound, especially when two or more instruments reveal the same peculiarities. It's an enormous effort, the kind that for days on end presents no interest whatsoever." But there's that carrot at the end.

A tour of the laboratory where

the team does most of its analysis is a ramble through a wonderland of electronic toys bristling with buttons, lights, switches, oscilloscope screens, stray wires. Among such trappings sit or dangle musical instruments from different parts of the world, variously intact or disassembled.

Indicating an assortment of odd-looking objects, Castellengo said: "To approach the mechanism of the flute, I've worked with tubes, rings, organ pipes. I've played with modeling clay, tried to make a little machine that would simulate lip action, cut up and sacrificed flutes..."

## Lack of Research

When the trio started work, no one really knew the kind of analysis that could be done on a flute. According to Castellengo, "There had been virtually no research done on the finger-holes or the bore and only a little on the mouthpiece. It took us a while just to figure out what to look for, what measures are useful."

Now that they know what data to seek, the group spends hours photographing the flute and measuring it inside and out to come up with a scale drawing resembling a blueprint. Next, while Sechet blows and the tapes spin, an electronic tuner calculates what frequency produces the optimum tone at each fingering position, and how much frequency variation exists — or how much play there is in a note. Then a spectrograph produces a visual portrait of the instrument's unique timbre and harmonic overtones.

Armed with the graphics from the lab, Drouin goes to work in the 19th-century Protestant church he bought last year. Descending from the choir loft — his living quarters — he mused: "Before, a flute builder's apprenticeship lasted 10 years. Since I only spent a few years learning, I have a vague sensation of cheating, but after all my master — Stanesby the flute maker — died in 1754."

"Here's the treasure," he declared, unveiling a stack of ebony cylinders. "This wood was bored 25 years ago, and so is dried evenly from the inside out — that's very important. It was given to me by someone whose family has been clarinet makers. Since they're out of the field now, this stockpile was just sitting around. It's enough for about 300 flutes."

Films in Paris  
Blier's 'Buffet': Meandering Melodrama

By Thomas Quinn Curries

PARIS (IHT) — Bertrand Blier, a young Turk of the French cinema, received an Oscar last year for his "Prepares vos mouchoirs," a grave reflection on slow-poke, deficient transatlantic shipping.

He has followed it with "Buffet froid" (at the Publicis Champs-Elysees, the Publicis Saint-Germain and the Paramount Elysees) which is similarly free-wheeling, capricious, self-indulgent and confusing but still a grade above his honored work.

In a recent interview he has confessed his dilemma in dealing with his latest scenario and, by inference, with all of his scripts since that of his initial and amusing "Les Val-suses."

At the start, he relates, "Buffet froid" was cast as a black comedy, a cocktail mixing English and French, but its subject was so knock-out that its author could not predict the outcome of its realization. His loss of what to do is evident in the finished product.

Lack of Depth  
Murders are committed without discernible reason. Some incest, destructive and governs the behavior of the characters, but as they are all stereotypes — the blundering hooligan, the cautious noodle suddenly involved in crime, the comic police inspector — they have no more depth than the figures of a farce. It would be purposeless to probe their sawdust brains. What is attempted is something on the order of "A Clockwork Orange," an expose of unprovoked violence. What is achieved is a meandering, nightmare melodrama punctuated with a few arresting episodes.

The beginning with the sinister protagonist questioning an alarmed passenger waiting for a late train on a lonely subway platform as to whether he has never had the desire to kill — or perhaps to be killed — has a gripping sense of suspense. His opening hints that we are in the Raskolnikov country, but it is misleading. Soon we are on more common ground with the participants firing revolvers and dodging bullets, diving off bridges and being pur-

sued by vamps. Rather than satire or social study, it emerges as a ramshackle burlesque of a gangster movie.

It is elevated from the routine category not by its directorial peculiarities nor by its runaway narrative, but by the gusto of its leading performances with Gerard Depardieu as the disturbed drifter ridden by homicidal mania, Jean Carmet again as a meek wrong-doer, and Bernard Blier as the jolly, corrupt policeman. You will not be bored, but it is likely that you will be bewildered.

Alistair MacLean constantly heads the best-seller list and several of his novels have been profitable grist for the movie mill, in particular, "Guns of Navarone," which Winston Churchill requested to see again and again. Some may sneer at MacLean's vast popularity and find in it a decline in literary taste, but one imagines that his millions of fans are the children of parents who used to feast on the fiction of Rafael Sabatini or the Baroness Orczy. The so-called red-blooded adventure story, smartly tricked out, is always in season.

However, the screen translation of MacLean's "Bear Island" (at the Boui Mich and the Paramount City-Triomphe in English) is so anemic that only an emergency hemoglobin transfusion would aid it. Its arctic background has evidently imparted a paralyzing chill on the project. The recounting of the tale about a scientific delegation dispatched to the arctic to study the evolution of climate and of the distrust sown among its members when ominous happenings occur on the site of a former Nazi submarine base would require three dozen hot-water bottles and a keg of vodka to warm it into a semblance of life. The interpretation — in which Donald Sutherland, Richard Widmark, Vanessa Redgrave, Christopher Lee and Lloyd Bridges take part — is also of a sub-zero temperature. Skip it. It is probably better on paper than it is on celluloid — at least in its present feeble form.

The Fred Astaire-Ginger Rogers films are almost on permanent exhibit in Paris along with those of the Marx Brothers and those of Humphrey Bogart. A touch of novelty has been added to the Astaire Festival in progress at the Grands Augustins and Action La Fayette cinemas this week. Its programs have been augmented by the inclusion of a long-invisible, Ginger-less Astaire musical: "A Damsel in Distress," directed by George Stevens from a novel by P.G. Wodehouse. Wodehouse adapted the original himself for the screen version and wrote its dialogue which has flashes



Gerard Depardieu in "Buffet froid."

of his characteristic humor. George Gershwin composed its score which is distinguished by one of its memorable numbers: "A Fog Day in London Town." Joan Fontaine is its heroine and in support are Grace Allen and George Burns who join the dancing partners in a romp through a Luna Park fun house with its grotesquely distorting mirrors. With its stately English mansion and servants' hall jocosities it is definitely a period piece, but this is an asset to its charms in providing escapist entertainment. Techniques and presentation methods have changed and it is in black-and-white, but it has amusing style and form and diverts today's audiences as it did those of its day.

Massacre Site Found in U.S.  
WILLIAMSBURG, Va. (AP) — Archaeologists say they accidentally unearthed remains of a Indian massacre and other artifacts that could be among the most significant finds of American Colonial history.

Remains of the massacre in which 58 settlers were believed killed in 1622 were found just 10 miles northwest of Jamestown, established by Capt. John Smith 15 years later.

"Nobody has ever found anything of the original settlement of Jamestown," said Ivor Noel Hume, who headed the dig. "So what we have found here by default substitutes for Jamestown."

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Location à la Salle Gaveau

Former Alpine Saviors Now Raised for Sale  
St. Bernards Are Unemployed but Still Being Bred at Birthplace

By Calla Comer

L'HOSPICE DU GRAND SAINT BERNARD, Switzerland (IHT) — The helicopter has replaced him as the No. 1 savior from snow in the Swiss Alps but the Saint Bernard is still alive and well and reproducing at his renowned birthplace of L'Hospice du Grand Saint Bernard.

The Saint Bernard, whose characteristics are legend (immense size — sometimes weighing more than 200 pounds — brown and white spotted coat, large, square head, sense of duty and uncanny ability to find people lost or buried in the snow, sometimes reviving them with a swig of brandy from the wooden cask around his neck), is the product of centuries of breeding by the monks in this medieval hospice.

The first sign of the breed at the hospice was in the middle of the 18th century, when watchdogs were needed to guard the hospice from brigands who frequently used the Great Saint Bernard Pass.

The diaries of the hospice reveal that in 1787 a band of 30 thieves spent a night at the hospice and then, in the morning, demanded the safe. The monks first tried to dis-

suade the thieves in the name of God, but when that didn't work led them toward the kennels, letting the thieves believe they were going to get the money. The large dogs started growling and barking when they saw the band. The thieves immediately took flight.

At this time, the Great Saint Bernard Pass became the main passage between Switzerland and Italy and the hospice would lodge and feed as many as 400 persons a day. The dogs were put to work turning the spits with the roasting meat, and the monks began to train the dogs to accompany them on their walks in the snow to search for lost travelers.

By the time Napoleon crossed the Great Saint Bernard in 1800 with his 40,000-man army, the dogs had become the main source of rescue in the Alps. Napoleon did not lose one man in the crossing, thanks to the dogs.

First Barry  
The hospice's diaries recount cases in which the dogs revived travelers by licking their faces, and then, by making a path through the heavy snow, lead them to the safety of the hospice. Other times, the dogs would leave travelers too weak to go on, and in a blizzard return to the hospice for help, leading the monks back to the travelers. The dogs' reputation for reducing the number of *morts blanches* in the Alps spread throughout the world.

A tradition grew up to name the strongest dog in the litter Barry. The first Barry, whose birth coincided with the passage of Napoleon, is said to have saved more than 40 persons during his 12 years as leader of the pack. In one story, Barry once found a small boy buried in the snow, licked him to life and then managed to mount the child on his back and bring him to the hospice. When Barry died, he was sent to Bern, where he was stuffed and put on display in the Historical Museum there.

Epidemics and overbreeding during the 19th century threatened the

breed's existence and in 1855 the monks accepted a couple of dogs from Stuttgart that had worked successfully in mountain passes and had resembled the dogs at the hospice. The male, however, had long hair, and when the couple produced a litter in 1857, the five puppies were also long-haired. From then on, the dogs at the hospice have been long-haired.

Up until then, the dogs were called a variety of names: *Matiffs*, *Alpines*, *Heilige Hunde*, *Chiens-Barry*, *convent dogs* or *alp dogs*. An international exposition in Birmingham, England, in 1862 gave the race the name of Saint Bernard for the first time. In 1883 the Saint Bernard was officially recognized as a Swiss breed.

By the time the Saint Bernard had won its pedigree, however, the Industrial Age was making the dogs' work less important. With the opening of the Simplon Tunnel in 1906, few voyagers were crossing the Alps by foot over the Great Saint Bernard Pass. The invention of the ski had made it possible to trace paths in the snow without the help of the Saint Bernard's huge bulk.

Telephones and telegraphs had brought more efficient methods of communicating emergencies to the Great Saint Bernard Pass. The helicopter ended the breed's alpine usefulness. The last person to be rescued by a Saint Bernard was in 1971. The hospice ended its training of dogs for rescue in 1974.

Rev. Bernard Cretton, prior of L'Hospice du Grand Saint Bernard, says, however, that the breeding of Saint Bernards is still a very important part of the monks' work and

that the hospice relies on the revenue from the sale of its dogs. There are usually between 12 and 16 dogs at the kennel at any one time and they sell for between 1,000 and 1,200 Swiss francs.

The kennels are also one of the main attractions for visitors to the hospice and thousands of people annually travel by the pass when it's open instead of the Great Saint Bernard highway tunnel, opened in 1964, just to see the famous dogs, the strongest of which is still called Barry.

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Monks rely on revenue from selling dogs.

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## Innovative Industry a Priority

## Israel Plunging Headlong Into Exporting Ingenuity

By William Claiborne

JERUSALEM, Jan. 1 (WP) — With its research and development-based industrial products leaving agriculture far behind in the export race, Israel is on the verge of committing itself even more fully to innovative industry.

This will involve increased government infusions of risk capital and the transfer of scientists from academic projects to the private sector, officials said last week.

The government, already heavily extended in subsidizing development of new products for export, hopes to improve its precarious balance of payments position in the next five years by sinking \$350 million into industrial research and development, Arie Lavie, chief scientist of the Ministry of Industry, Trade and Tourism, said in an interview.

Coupled with an estimated \$150 million that will be privately invested, the commitment will put Israel, on a per capita basis, among the

leading nations in the research and development sweepstakes.

"The government recognizes the priority of exporting sophisticated industry. We have to do this thing, not in spite of our economic problems but because of them," Mr. Lavie said. Inflation in Israel currently is running more than 100 percent annually.

He said the new policy would retain the current government grants of up to 80 percent of costs for a new product, and add government loans for working capital and broad tax incentives to industries and individual investors to encourage private venture capital.

The export of products based on research and development has soared in Israel, from a paltry \$2.5 million in 1967 to \$700 million in 1979, or 30 percent of total civilian industrial export products. Economic analysts predict that by 1981 the total will reach \$1 billion and by 1986 \$2 billion, or 40 percent of total industrial exports.

Since the founding of the Jewish state 32 years ago, agricultural exports — ranging from cut flowers sold in Europe to oranges and avocados sold worldwide — have dominated Israel's foreign sales. But in 1978, the country's total \$2 billion in civilian and military industrial exports included \$540 million in research and development-based products, compared to \$495 million in agricultural exports.

## New Products Increasing

The annual rate of growth of innovative industrial products, Mr. Lavie said, is 30 percent, compared to 9 percent for industry based on imported technology.

Having found the way to feed its 3.5-million population with food to spare for sale abroad, Israel is now plunging headlong into exporting its ingenuity.

The surge of innovative products, in fact, was inspired by the ingenuity that turned vast areas of desert into productive farmland, and gave rise to a formidable arms exporting industry whose sales this year are expected to total \$600 million.

Without an adequate supply of cheap labor and with no abundance of natural resources, Israel would not seem to qualify for accelerated industrial growth. But its academic manpower — 10,000 scientists and 20,000 engineers, many immigrants from Eastern Europe and the Soviet Union — gives the country an edge that offsets these deficiencies.

A recent joint study by the Massachusetts Institute of Technology and the World Bank recognized the potential of ingenuity, while seeking to learn how Israel has increased its industrial research and develop-

## E. German Flees From Trawler

WALVIS BAY, South-West Africa, Jan. 1 (UPI) — An East German fisherman, who spent nine hours floating in the Atlantic Ocean after jumping overboard on Dec. 25, has asked for political asylum in the West, a South African government spokesman said today.

Edgar Holtz jumped into the water from the fishing trawler Erick Weiner and spent the night drifting. He was washed ashore in a state of exhaustion and spotted by a light-house attendant who called the police.

Government officials said that Mr. Holtz's request for asylum had been turned over to the West German consul in South Africa.

ment in so short a period, and how the country has translated it into export growth.

The government has launched programs to lure more scientists and engineers from academia into corporate laboratories to increase the innovative pace.

The start-up of new companies that deal exclusively in research and development products is running about 20 a year and approximately \$20 million a year is being spent on joint projects with foreign concerns, including \$12 million invested in projects by 12 U.S. businesses.

Israel's partly socialist government is currently investing \$35 million a year in conditional grants to private companies, covering 50 percent of research and development on new products and up to 80 percent for products classified of "national importance." The latter category includes such products as a new solar pond and generating turbine near the Dead Sea.

If research and development results in the commercialization of a product, the company pays the government royalties of 1 percent of sales for seven years, but not exceeding the grant. The government is also planning other incentives.

## Leading Products

The leading Israeli products in the civilian research and development export field now are medical equipment and drugs, electronics, communications products, computers, chemicals, machinery and plastics.

In the field of arms exports, Israel has long been in the big leagues, employing 32,000 workers in the defense industry — 11 percent of its industrial work force. The government is secretive about its defense industry, refusing to publish sales or market data.

Its biggest investment has been the development of the high-performance Kfir C-2 jet fighter. The government-owned Israeli Aircraft Industries is designing a new fighter for the new decade that will perform similarly to the American-made F-16. It has been estimated that research and development spending on the fighter could reach \$2 billion.

In addition, IAI and its subsidiaries produce the Gabriel missile, the Arava Stal military transport, the missile-equipped Dvora high-speed patrol boat, armored vehicles, anti-aircraft weapons, field guns and electronic components for ships, small arms — including the renowned Uzi submachine gun and the Galil assault rifle — and ammunition.

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October 1979

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November 1979

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## Outlook in U.S. Seen as Unsure

By Leonard Silk

TLANTA (NYT) — The business outlook for 1980 is for a moderate recession ending late in the year, a recession less severe than that of 1974-75, according to leading economists attending the annual meeting of the Allied Social Sciences Associations that ended here Sunday.

They warned, however, that there were risks that could worsen the outlook. Those risks stem from threats of new oil shocks, economic military conflicts in the Middle East and a possible breakdown in the world monetary system, tied to soaring oil and gold prices and a tight money market.

While recognizing such dangers, economists interviewed here, nevertheless, saw an economy that in terms of immediate domestic pressures, is facing neither a depression nor an acceleration of inflation.

### No Major Tax Cut Seen

With the expected persistence of double-digit inflation well into 1980, the economists believe that administration plans for a large tax cut will be deferred. Prof. Lawrence Klein of the University of Pennsylvania, who was President Carter's chief economic adviser during the 1976 campaign, told a forecasting panel he saw no likelihood of a "major" tax cut.

He did predict "marginal adjustments" in rates totaling \$12 billion, including some roll-back in depreciation rates for business and some measures to reduce the impact on taxpayers of being moved into a higher bracket by inflation. But the stimulative effect of \$12 billion in reductions, he said, would be small.

Monetary policy, as most economists here saw it, would provide little or no stimulus to offset recessionary pressures. Some contended that monetary policy was still far from tight. Otto Eckstein, professor of economics at Harvard University and president of Data Resources Inc., said bankers still told him money was "readily available, but expensive."

### Corporate Profits Strong

Mr. Eckstein said one of the biggest surprises of 1979 was the strength of corporate profits. They are up about 20 percent, he noted, and will continue to provide business with incentive for investment.

"The private economy," he said, "does not want or need the recession." He suggested that recession was being forced on policymakers — and by policymakers — as a necessary means of dealing with double-digit inflation. Because of those policy necessities, he, like most economists here, believed that recession is now on the way.

Alan Greenspan, president of the economic consulting firm Townsend-Greenspan & Co., who served as chief economic adviser to President Gerald Ford, said, "We seem now finally

## Economist Says U.S. Has 'Lost Its Clout'

to be moving from a forecast of recession into its reality.

Mr. Greenspan foresees a "weak" economy through 1980, even if consumers continue to hold down their savings rate. The rate is now close to zero and is likely to go negative in coming months — a phenomenon this country has not seen since the 1930s. The explanation for the expected negative rate, according to Mr. Greenspan, is that consumers have been determined to keep up with inflation, and to do so have been liquidating assets.

One source of huge amounts of additional spending money, according to Mr. Greenspan, has been housing sold at inflated prices. Rapid turnover in housing properties has, at the same time, generated a great deal of extra cash through mortgages, and part of this cash has been used for current consumption, which tends to make the savings rate look lower.

The economists agreed that 1980 would see a drop in housing and autos. Prof. Harold T. Shapiro, presenting the economic forecast of a group at the University of Michigan, said that consumer spending on autos would decline 12 percent in 1980, and outlays on residential construction would decline 20 percent. The Michigan forecast sees housing starts dropping to about 1.25 million units from 1.75 million units in 1979. Most other economists here expected a comparable decline.

### Reasons for Moderation

Mr. Shapiro said that he and his colleagues thought that a major reason the 1980 recession would be more moderate than the 1974-75 downturn was that housing would be declining from a lower peak. Last time, the slide in housing was from a level of 2.4 million units; in 1978, housing reached a high of just over two million.

Another reason to expect the year's decline to be gentler, he said, would be less selling off of business inventories. The Michigan group, in fact, sees "no inventory disinvestment" this year. Other forecasters, such as Mr. Eckstein, do see inventory cutbacks, although not as sharp as those in 1974.

Within the federal government, according to William A. Cox of the Commerce Department, there is consensus that the downturn will be "mild." He said the savings rate of consumers would stay down because of demographic factors, with more young people in the labor force and more two-earner households, and also because people had increasingly come to regard inflation "as a way of life."

The wild card in 1980, said Mr. Cox, would

be oil and food prices. He expressed the government's concern that members of the Organization of Petroleum Exporting Countries might still seriously worsen inflation by raising oil prices again this year.

Mr. Greenspan, however, tended to agree with the view expressed by Sheikh Ahmed Zaki Yamani, Saudi Arabia's oil minister, at the recent OPEC ministers' meeting in Venezuela that an oil glut lay ahead, and that this would help hold down further increases in oil prices. Greenspan, in fact, thought that prices might drop in the spot market.

Mr. Cox said that the rise in food prices ahead looked "intractable."

Like a number of the private economists here, Mr. Cox expressed worries about the ability of the private banking system to handle the recycling of huge flows of money to the oil-producing countries back to the deficit-ridden oil-poor countries.

Albert Wajnlower, chief economist for First Boston Corp., said, "More and more, oil is money. Oil is the store of value and the medium of exchange."

All the old theorems of monetary economics, he said, can now be translated into oil. He expected further increases in both nominal and real oil prices. Inflation, he suggested, would keep interest rates rising for a while longer — until midway when recession might cause them to dip, but not dramatically.

Chrysler Corp. said Mr. Wajnlower, is "only the first victim of OPEC." The rise in oil prices, he added, will have to be stopped, or there will be "no prospect for prosperity" and a "low ceiling on real economic growth."

He was gloomier than his colleagues in warning that 1980 could prove to be a year of disasters. He said that the necessity of forestalling "foreign-exchange disasters would restrict the use by the U.S. government of easier monetary and fiscal policies to cope with recession and unemployment."

### U.S. 'Lost Its Clout'

The United States, he said, has not only "lost its clout" in the political arena but has also "lost its ability to run an independent economic policy."

Mr. Shapiro forecast that the nation's real gross national product this year would be moderate but that the recovery from recession would be "shallow." Similarly, Michael Evans, president of Evans Economics Inc., predicted a 2 percent decline in real GNP at an annual rate in the first quarter, with a 5 percent drop in the second quarter, but with the economy recovering "weakly" in the second half.

Mr. Greenspan forecast that "the recession will bottom out around Election day." Democratic economists here could find scant reason to disagree with his assessment — or its political implications.

## Gold, Silver End Year at Record High Dollar Closes Firm, But Trading Is Light

From Agency Dispatches

NEW YORK, Jan. 1 — Gold soared to \$332 an ounce as the 1979 trading year closed yesterday, about \$300 more than it was worth one year ago.

Silver surged \$5.10 to \$34.45 an ounce — compared with just over \$5 a year ago — as the Soviet presence in Afghanistan accelerated buying of bullion.

The dollar closed on the year on an upward trend in major European markets with very little trading in currencies.

Gold closed in London at a new record \$524.50 an ounce, up \$14.50 from Friday's close of \$510. Zurich markets were closed for an extended New Year's holiday. In New York, however, dealers closed out their books for the year with a gold close of \$332 an ounce.

Silver, which has risen proportionately even more sharply than gold during the year, closed in New York at a record \$34.45 an ounce compared with the previous record of \$29.25 an ounce. Some of the buying was fueled by speculators covering short positions to close out their books for the year, according to a London dealer.

In Chicago, the Board of Trade boosted margins for trading the metal, just three weeks after lowering them. Margins for new positions and those taken in silver since Sept. 19 are not affected, except during periods of "variable price limits," when normal daily price movements are increased. In such periods, initial margins will be \$13,500 per contract instead of the normal \$9,000 and maintenance and hedge margins are \$7,500 instead of the normal \$5,000.

For positions taken before Sept. 19, initial margins were raised to \$5,000 from \$4,500 and maintenance margins were increased to \$5,000 from \$3,000. During variable limit periods, initial and maintenance margins were increased to \$7,500 from \$5,000.

### Mideast Tension Cited

James Sinclair, head of the firm bearing his name, noted that speculators have been a major factor in the sharp runup of metals prices in the last month. "There obviously has been some speculation, but the buying has been largely physical (as opposed to futures contracts) and has come from the Middle East," he said.

David Mizrahi, editor of the MidEast Report, said the tension over Iran and the terrorist attack on Mecca in Saudi Arabia has been heightened by the Soviet Union's backing of the coup in Afghanistan.

"The Soviet presence in Afghanistan has accelerated the flight of Arab capital from the Middle East, much of which has already been transferred, and a portion of which has been or will be put into gold," he said.

"The Arabs — both governments and private businessmen — believe that the Soviets are in Afghanistan to gain access to the oil-producing Persian Gulf area," he added. Various reports have predicted that the Soviet Union will be a net importer of oil by 1985.

The dollar was mixed on the last trading day of the year, but with a higher trend at the close. Volume, however, was negligible. Zurich and Paris markets were closed for the

(Continued on Page 9, Col. 4)

## 'Specialty' Stocks Lead Trading As Annual Volume Sets Record

NEW YORK, Jan. 1 (NYT) — Wall Street rang down the curtain yesterday on a tumultuous year that saw stock trading volume smash all records, while the bond market went the other way in October to suffer its most disastrous single-month loss in history.

"The general mood of the investment community today is upbeat," observed Sanford Weill, chairman of Shearson Loeb Rhoades. "Most people are looking forward to a better decade and one good thing is that the 1970s finally have come to an end."

Mr. Weill had particular cause for cheer. His company's stock touched a record high yesterday at 21 1/4. It sold earlier this year as low as 8 3/4.

### A Year of Specialties

"Looking back at 1979, it was a year of specialties, when anything that smacked of a natural resource or a takeover did very well," summed up Howard Silverman, managing partner of Gruntal & Co.

"I would say that the huge commission volume in stocks and commodities enabled most retail-oriented firms to overcome any drain from their fixed-income portfolios in recent months."

However, other investment executives noted that recent losses in fixed-income holdings, resulting from the Federal Reserve Board's

sudden switch to a tighter-money policy on Oct. 6, were so monumental that some bond-positioning firms must still be nursing their wounds.

The fires of domestic inflation were fanned in 1979 by steadily rising prices for imported oil. As a result, companies with resources in the ground became stock market darlings. Gold and silver stocks mirrored leaping bullion prices. Some South African gold shares moved ahead 50 percent during the last two months.

Oil issues became particular favorites and small, in terms of capitalization, was beautiful. Sundance Oil ran ahead more than 300 percent on the American Stock Exchange. Along with such exploration companies as Numac Oil & Gas and Wainoco Oil, Sundance symbolized the rampaging play in Canadian energy stocks.

As a result, the Amex market value index finished the year at a record 247.07, advancing more than 60 percent.

Over-the-counter stocks also became the hunting ground of "special situations," as the NASDAQ composite index rose upwards of 26 percent to 151.1, up 0.31 for the day.

On the other hand, the Dow Jones industrial average, with blue-chip and big-name glamour issues generally turning in a mediocre per-

formance, edged ahead a scant 4 percent to finish at 838.74. Ten years ago, the Dow stood at 800.36.

Big Board volume swelled to 8.15 billion shares for a daily turnover of approximately 32 million shares. This topped the previous mark, set in 1978, of 7.2 billion shares, or 28.6 million shares a day. In 1969, the comparable figures were an aggregate 2.85 billion shares and a daily average of 11.4 million shares.

The huge expansion in trading during the decade stemmed mainly from increased participation by institutions, such as banks, trust departments, insurance companies and other large investors that now account for between 65 and 70 percent of total volume.

Turnover yesterday contracted to 31.5 million shares from 34.4 million on Friday. For the day, the Dow index was off 0.17.

Among the bigger gainers in the precious-metal group, Handy & Harman, a leading refiner, climbed 2 1/4 to 38 1/4. Engelhard Minerals, a metals fabricator, 4 1/4 to 65 1/4. Hecia Mining, 8 1/4 to 45. Callahan Mining, 3 1/4 to 33 1/4 and Sunshine Mining, 5 1/4 to 35. The latter three companies mine silver.

In the stronger gold mining category, ASA Ltd. rose 3 1/4 to 40 1/4. Homestake Mining 2 1/4 to 51. (Continued on Page 9, Col. 4)

### Hits Lowest Level Since Mid-1977

## U.S. Leading Index Drops in November

By Art Pine

WASHINGTON, Jan. 1 (WP) — The key government index designed to predict turning points in the economy plunged sharply in November, bolstering suggestions that the economy is truly on a recession slide.

The Commerce Department reported yesterday that its index of leading economic indicators fell 1.3 percent, following a revised drop of 1.4 percent the previous month. The weakness was spread throughout seven of the 10 indicators now available and dropped the index to 136.6 — its lowest level since July, 1977, when it was 136.0.

The figures came as the Agriculture Department announced separately that farm prices rose relatively moderate 0.5 percent in December for the second month in a row, bringing them 8-percent above a year ago.

Meanwhile the Labor Department reported the layoff rate among factory workers rose 0.2 percentage point in October to 1.3 percent, while the number of strikes and striking workers declined sharply.

The combination of figures was in line with most analysts' assessments that the economy is in or just entering a moderate recession, which is likely to show up in earnest early this year. William Cox, the Commerce Department's deputy chief economist, noted there already has been a steep falloff in both automobile production and housing. If those continue as expected, the downturn will spread, he said.

Perhaps the most significant feature of the leading indicator index this time was the continuing spread of the declines to indicators beyond the financial and stock market sphere, such as building permits.

The 1.4 percent drop recorded for October was revised from an 0.9 percent decline estimated previous-

ly. The index generally has been edging downward since its peak this past March. It is not universally regarded as infallible.

The figures nevertheless appeared to jibe with a new survey of corporate purchasing managers which showed that the economy softened visibly in December, with new orders slumping in the face of cutbacks in production.

### 'Danger Signals Flashing'

Charles Haffey of Pfizer, chairman of the group's business survey committee, said there "isn't any question that danger signals are flashing all over the place." Still, some firms continue to see business ahead good.

At the same time, producers of machine tools say they are winding up their best year ever, and they are unusually optimistic about the outlook for 1980, according to the National Machine Tool Builders' Association.

The trade group said that while November orders fell 23 percent from the previous month's level, the total still was in line with those of

the first eight months of 1979, and there are no indications that orders will be curtailed soon.

Most economists still believe the economy is continuing robust enough that output will grow a slight 1 to 1.5 percent, at an annual rate, during the final three months of 1979, but the declines may be posted in early 1980.

Although the consensus among economists is that a downturn is coming, if it is not already here, the Carter administration is remaining cautious, for fear of exacerbating inflation. President Carter is said to have decided against proposing a major tax cut as part of the fiscal 1981 budget he will send Congress in late January.

The relative slowdown in agricultural prices would appear to point to some further relief for grocery shoppers in coming months. Food prices, as well as energy prices, have risen less rapidly at the retail level in recent weeks. The Agriculture Department is predicting that retail food prices will rise about 8 percent again in 1980.

## J.K. Broker

## ues to Halt

## J.S. Bidder

NEW YORK, Jan. 1 (NYT) — T. Bowring & Co., one of Britain's leading insurance brokers, said yesterday to block an "unfriendly takeover" by Marsh & McLennan, one of the largest U.S. insurers.

Bowring filed a complaint in U.S. District Court here charging Marsh & McLennan with "misuse of confidential information," breach of fiduciary duty and breach of agreement. It asked the court to enjoin takeover attempt or acquisition of its shares by the U.S. insurer.

Bowring, a prominent member of Lloyd's of London, contended that Marsh & McLennan agreed to exchange confidential information during unsuccessful negotiations over the past year to explore the possibility of coordinating insurance operations.

The strictest confidentiality for its data was thus required by both parties, Bowring said, adding that, at a meeting last October, "Marsh & McLennan's chairman explicitly stated to representatives of Bowring, including its chairman, that Marsh & McLennan would not engage in a hostile takeover attempt of Bowring."

Bowring contended that last Dec. 3 "it became clear negotiations could not result in a mutually agreeable arrangement" and on Dec. 17 Marsh & McLennan publicly announced it was considering a takeover.

In its statement Dec. 17, Marsh & McLennan did not indicate what price it might offer for the U.K. brokerage company.

### Direct Investments Studied

## Japanese Car Firms Consider U.S. Plants

By Henry Scott Stokes

TOKYO, Jan. 1 (NYT) — Three top Japanese auto companies — Toyota, Nissan and Honda — are considering their first large direct investments in auto assembly plants in the United States and may reach decisions by this spring, according to industry analysts and press reports here.

Spotting the trend in the Japanese industry, with layoffs climbing in the U.S. industry, most states have already sent representatives here to press the case for a plant in their area.

Comments from industry analysts and reports in the financial press follow closely the agreement reached last month between Honda and BL Ltd. for the production in Britain of a Honda-designed car, due to be produced for sale in the European Community by the summer of 1981.

The Nihon Keizai newspaper said yesterday that the three Japanese companies "will decide on four-wheel production in the United States by next spring," partly to rebut U.S. protests against the "export of unemployment" in the auto industry from Japan to the United States.

The Honda-BL agreement was reached in a climate of increasing concern over the inroads the Japanese industry has made in the U.K. and European auto markets. In reacting to the pact, Seiji Kato, board chairman of Toyota Motor Sales Co., the auto maker's sales division, noted that political as well as economic factors would be considered in any decision to begin production outside Japan.

"There has been a complete

change in the tone of pronouncements by the big companies, notably Toyota, on the long-term question of investment in assembly in the United States," said Akio Miki, an industry analyst. "In the past, the big Japanese auto makers shrank from the final step of committing themselves in the United States, but now they are facing up to the inevitable."

U.S. Ambassador Mike Mansfield has long sought Japanese auto investments in the United States, and numerous states have sent delegations to Japan to win job-creating assembly plants.

"We have had representations from practically every state with the exception of Alaska and Hawaii," said a Toyota spokesman. "Several state governors made the trip down to Nagoya," site of Toyota's headquarters.

It now appears that at least one

major concern, possibly Honda Motor Co., will follow West Germany's Volkswagen in investing in a U.S. assembly plant.

One factor spurring companies here has been criticism of Japanese makers, which have commanded more than 15 percent of the U.S. car market, by the president of the United Automobile Workers union, Douglas Fraser. However, there are these additional reasons for the apparent change in strategy:

- There is insistent demand from U.S. consumers for quality, fuel-economic cars and trucks, and this has raised imports from Japan by 8.7 percent in 1979, to 2.06 million units, according to Nissan's president, Takashi Ishihara.

- Booming auto exports to the United States are now equal to Japan's trade surplus with the United States, according to official Japanese figures for 1979 — close to \$6 billion on first estimates. Washington has been prevailing on Japan to close this gap. At the same time, profit margins increased greatly with the slump of the yen against the dollar.

### Ford Ups Prices

### Average 1.9%,

### Below GM's Rise

DETROIT, Jan. 1 (NYT) — Ford Motor, following the lead of General Motors, yesterday announced price increases averaging \$149, or 1.9 percent, on the base sticker prices of all its 1980 model cars.

The increase was less than GM's average price rise of \$186, or 2.8 percent, announced Dec. 21, reflecting Ford's continuing poor sales record compared with GM as well as a desire to sharpen its competitive edge.

Ford said the increase, the second so far during the 1980 model year, "enables the company to recover only a portion of the mounting costs it is experiencing for material, labor and services, as well as the expenses of meeting government-mandated regulations."

Like GM, Ford set larger increases on its fast-selling small cars and smaller increases on its slow-selling big models. The price on the subcompact two-door Pinto Pony will climb \$129, or 3.4 percent while the full-sized LTD will go up \$73, or 1.1 percent.

According to Ford's figures, the latest increase brought the rise in the price of 1980 models over the last prices for 1979 cars to 4.8 percent. With the price increase averaging 6 percent by American Motors Corp. announced Friday, only Chrysler has yet to announce a second-round increase.

### BL Raises Prices 4%

LONDON, Jan. 1 (AP-DJ) — BL Ltd. announced an average 4-percent increase in the price of its cars, starting next Monday.

Volkswagen announced a 6-percent rise in its U.K. prices due to higher manufacturing costs.

## Brazilian Plain Regarded As Possible 'Breadbasket'

UBERLANDIA, Brazil, Jan. 1 (AP-DJ) — Brazil has discovered it can become one of the world's major food suppliers by developing a vast plain that one day could rival the grain-rich U.S. Midwest.

The region, a savanna in the heart of this gigantic country, is known as the "cerrados,"

Until recently, this land was almost useless because the soil is unproductive and the rainfall inadequate, but new soil research has made it productive and started a great land rush by farmers and speculators.

Brazilians are still not sure exactly how much land they really have in the cerrados. Conservative estimates say there are close to 320 million acres (130 million hectares), equal to 30 percent of all the land

corn, cotton, fruit, and coffee. The rest is best suited to pasture.

Cultivation of the cerrados would double Brazil's farmland. "By applying what scientists already know to the land suited to food crops, the cerrados could feed 150 million people," says Wenceslau Goedert, a government agronomist. "And that doesn't include the millions of tons of meat the pasture land could yield."

Some of the advanced farming methods involve improving the very acidic soil. Mr. Goedert says that an acre of land in the less developed parts of the cerrados costs \$40. But to clear it and cover it with fertilizer and soil correctives requires three times that much.

Because the land is flat, its cultivation can be completely mechanized. And the temperature and sunlight conditions are excellent. But rain is not always sufficient. There is enough, in terms of volume, but it often comes at the wrong times.

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Africa, Others (air).....	\$ 228.00	114.00	63.00	Israel (air).....	\$ 171.00	85.50	47.00	Polynesia French (air).....	\$ 195.00	97.50	54.00
Algeria (air).....	\$ 145.00	72.50	40.50	Iceland (air).....	\$ 145.00	72.50	40.50	Portugal (air).....	Esc. 5,000.00	2,500.00	1,350.00
Austria.....	Sch. 2,100.00	1,050.00	580.00	Ireland.....	£ir. 56.00	28.00	15.00	Romania (air).....	\$ 145.00	72.50	40.50
Bahrain (air).....	\$ 228.00	114.00	63.00	Israel (air).....	\$ 171.00	85.50	47.00	Saudi Arabia (air).....	\$ 171.00	85.50	47.00
Belgium.....	B.Fr. 4,050.00	2,025.00	1,125.00	Italy.....	Lire 91,200.00	45,600.00	25,000.00	Singapore (air).....	\$ 273.00	136.50	75.00
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Egypt (air).....	\$ 171.00	85.50	47.00	Malagasy (air).....	\$ 195.00	97.50	54.00	Turkey (air).....	\$ 145.00	72.50	40.50
Ethiopia (air).....	\$ 228.00	114.00	63.00	Malta (air).....	\$ 145.00	72.50	40.50	United Arab Emirates (air).....	\$ 228.00	114.00	63.00
Finland (air).....	F.M. 600.00	300.00	165.00	Malaya (air).....	\$ 273.00	136.50	75.00	U.S.S.R. (air).....	\$ 145.00	72.50	40.50
France.....	FF 520.00	260.00	145.00	Mexico (air).....	\$ 228.00	114.00	63.00	U.S.A. (air).....	\$ 195.00	97.50	54.00
Germany.....	DM 278.00	139.00	75.00	Morocco (air).....	\$ 145.00	72.50	40.50	Vietnam (air).....	\$ 273.00	136.50	75.00
Great Britain.....	£St. 46.00	23.00	12.00	Nepal (air).....	\$ 228.00	114.00	63.00	Yugoslavia (air).....	\$ 145.00	72.50	40.50
Greece (air).....	Dr. 4,200.00	2,100.00	1,170.00	Netherlands.....	FL 300.00	150.00	82.00	Zaire (air).....	\$ 228.00	114.00	63.00
Hong Kong (air).....	\$ 273.00	136.50	75.00	New Zealand (air).....	\$ 273.00	136.50	75.00	Other Eur. Countr. (air).....	\$ 145.00	72.50	40.50
Hungary (air).....	\$ 145.00	72.50	40.50	Norway (air).....	N.Kr. 578.00	289.00	161.00				

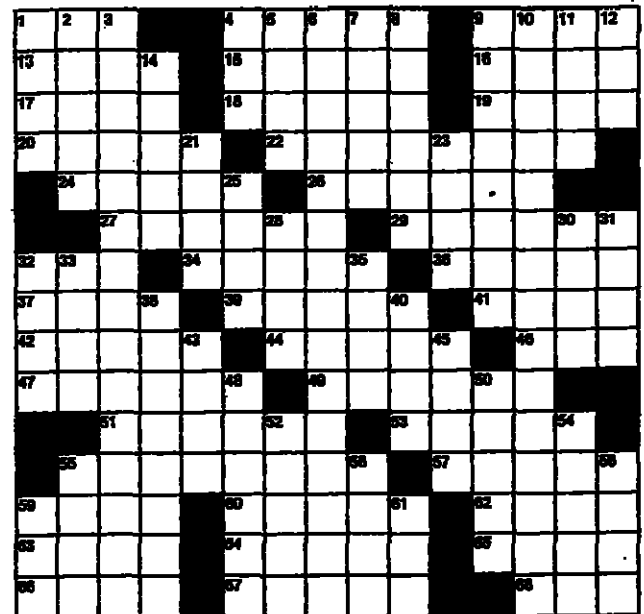
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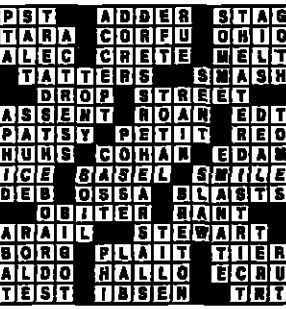


## CROSSWORD — By Eugene T. Maleska



- ACROSS**
- 1 Perishing's men in Eur.
  - 4 Hindu noble
  - 9 "— boy!"
  - 13 Conjugate
  - 15 "What's in —?"
  - 16 Boutique
  - 17 Vetch
  - 18 Clementine's dad
  - 19 Campsite need
  - 20 Ridiculous
  - 21 Rays of light
  - 24 Does a household chore
  - 26 Slow movement in music
  - 27 Point in horseshoes
  - 29 Whale
  - 32 Tramp along
  - 34 Lecher
  - 36 Trick
  - 37 — breve
  - 38 Nero's father
  - 41 Angle ratio
  - 42 Laughing
- DOWN**
- 1 First of five in "Hamlet"
  - 44 Churchill's "— Finest Hour"
  - 46 Aspect of velvet
  - 47 Is unable
  - 49 Trism
  - 51 Escaped punishment
  - 53 Kind of writ
  - 55 Minor planet
  - 57 Puckish
  - 59 Chekhov heroine
  - 60 Little Lord Fauntleroy
  - 62 Volcano in Sicily
  - 63 Common contraction
  - 64 Remainder, in Marselle
  - 65 Faction
  - 66 Koko's weapon
  - 67 Bone: Comb.
  - 69 Culprit, in Calabria

## Solution to Previous Puzzle

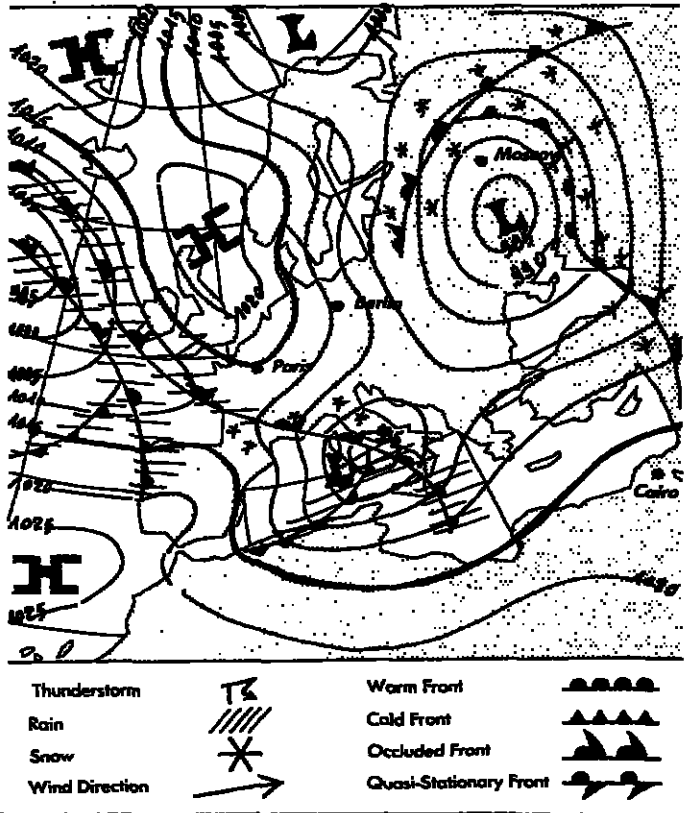


## WEATHER

	C	F		C	F	
ALGARVE	15	59	Rain	MADRID	15	59
AMSTERDAM	1	34	Snow	MILAN	16	64
ANKARA	8	46	Overcast	MILWAUKEE	4	40
ATHENS	13	55	Cloudy	MONTREAL	1	34
BEIRUT	19	66	Fair	MOSCOW	-17	19
BELGRADE	-1	30	Snow	MUNICH	-2	28
BERLIN	1	34	Cloudy	MUNICH	2	36
BRUSSELS	2	26	Cloudy	NEW YORK	7	45
BUCHAREST	2	26	Overcast	NICE	-2	28
BUDAPEST	1	34	Overcast	PARIS	13	55
CASABLANCA	18	64	Cloudy	PRAGUE	3	37
COPENHAGEN	-1	30	Snow	ROME	1	34
COSTA DEL SOL	-1	30	Cloudy	SOFIA	-1	30
DUBLIN	3	37	Overcast	STOCKHOLM	-2	28
EDINBURGH	-1	30	Snow	TEHRAN	1	34
FLORENCE	4	39	Fair	TEL AVIV	7	45
FRANKFURT	1	34	Overcast	TOKYO	4	40
GENEVA	1	34	Cloudy	TURIN	11	52
HELSINKI	-2	28	Snow	VERONA	1	34
HOUSTON	12	54	Fair	WARSAW	-2	28
ISTANBUL	8	46	Overcast	WASHINGTON	5	41
LAS PALMAS	20	68	Cloudy	ZURICH	-1	30
LISBON	16	61	Overcast			
LONDON	1	34	Fair			
LOS ANGELES	21	70	Fair			

(Yesterday's readings U.S. and Canada at 1700 GMT; Houston and Las Angeles at 2000 GMT; pal

## Situation Forecast for Noon G.M.T. Wednesday



## South Africa Court Says Guarantee On Car Covers Snake, Mice Damage

DURBAN, South Africa, Jan. 1 (UPI) — A doctor has sued an automobile company for 1,000 rand (\$1,200) because the engine of his new car was ruined by a hungry snake that chased a terrified mouse into the car's camshaft sprocket.

Dr. Ahmed Suleman tried to start his brand new high performance Alfa Romeo on New Year's Eve but had no luck. "All I heard was a grinding noise," he said.

When the week-old car was towed back to the dealer, mechanics found the problem promptly. The chewed remains of a snake and a mouse were found wound around the camshaft sprocket. The engine was a total write-off.

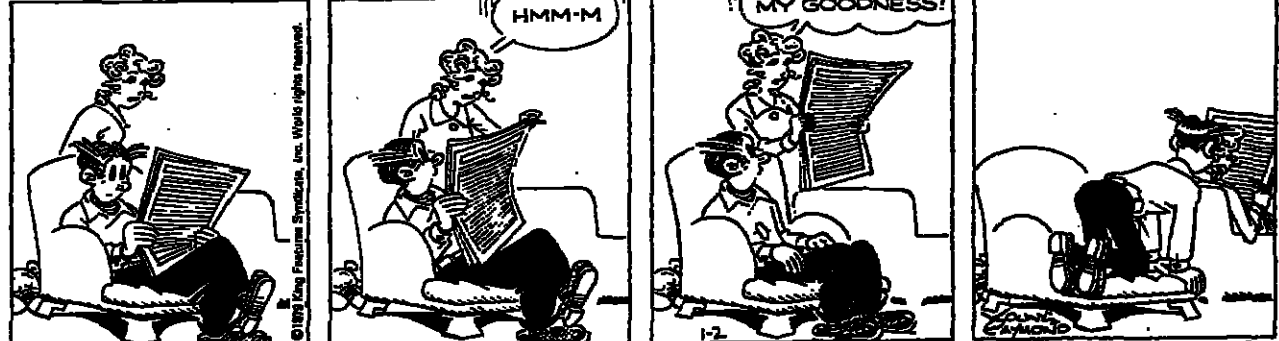
When the repairs were made Dr. Suleman was presented with a bill for 800 rand (\$960). He refused to pay claiming that the engine guarantee included damage caused by hungry snakes chasing mice. The automobile firm disagreed, saying that the snake had nothing to do with faulty workmanship or defective materials and held the car.

Dr. Suleman marched down to the Supreme Court filed his suit, received an emergency court order and took delivery of his car. The firm said that it would fight the order.

## PEANUTS



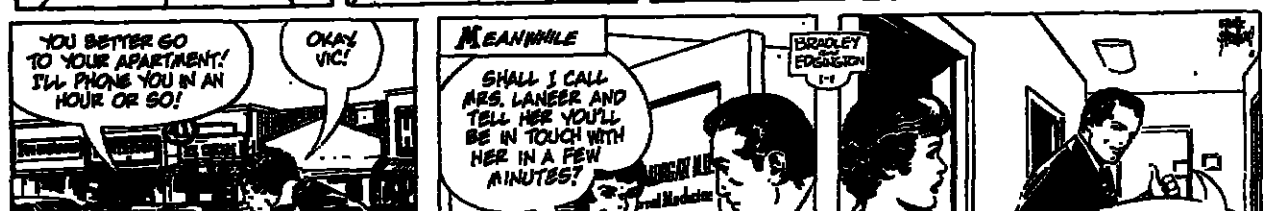
## BLONDIE



## BEETLEBAILEY ANDY CAPP



## REX MORGAN



## DONESBURY



## JUMBLE



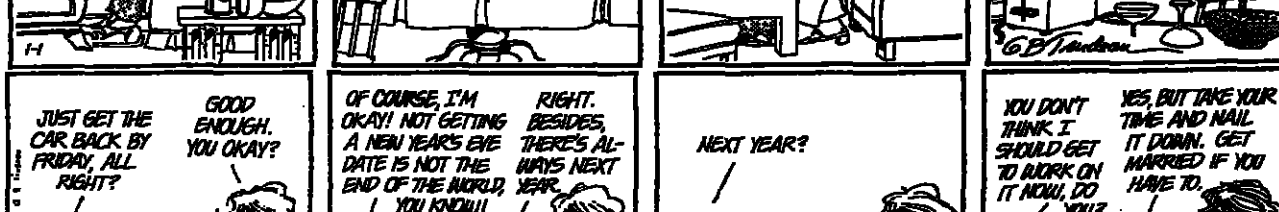
## DENNIS THE MENACE



## JUMBLE



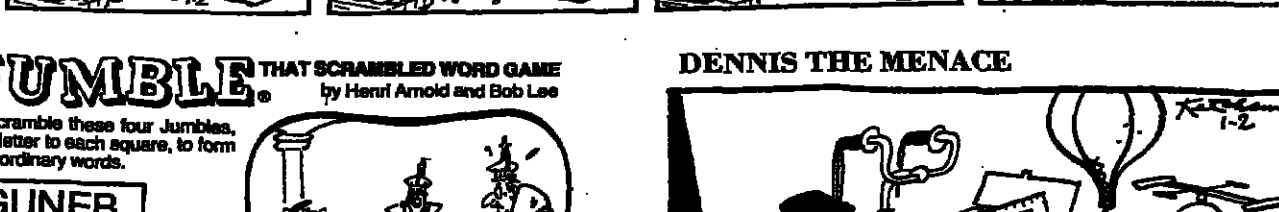
## DENNIS THE MENACE



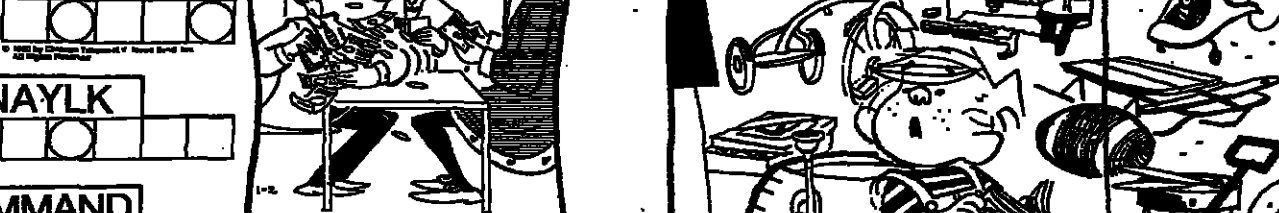
## JUMBLE



## DENNIS THE MENACE



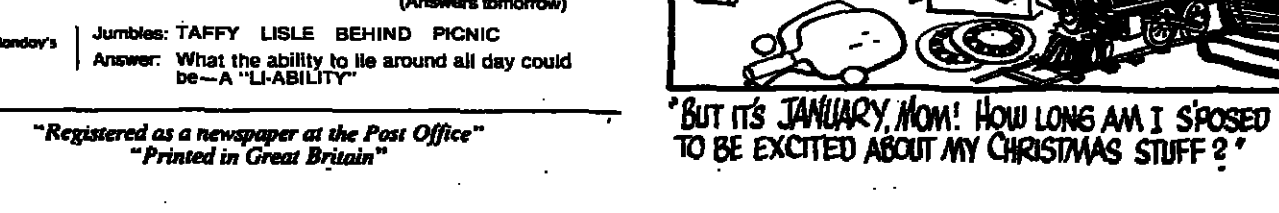
## JUMBLE



## DENNIS THE MENACE



## JUMBLE



## BOOKS

## THE MIRACLE MACHINE

By Doug Gilbert. Coward, McCann & Geoghegan. Illustrated. 324 pp. \$10.95.

Reviewed by Christopher Lehmann-Haupt

HERE'S the miracle. At the 1976 summer Olympic Games, held in Montreal, East Germany won 90 medals over all, 40 of which were gold, the second highest total of all competing nations, if nations may be said to compete in the Olympics. (The Soviet Union won 47 gold.) Per capita, that's one medal for every 158,888 East German souls, and one gold for every 425,000. The United States, far richer and more populous, won a total of four more medals over all, but six fewer gold. That comes to a medal for every 2,288,489 Americans and a gold medal for every 6,327,000. As a medal winner, East Germany is about 12 times more productive than Fat City. As a gold medal winner, about 15.

Big deal, you retort. East Germany cheats. It presses its athletes into service and pays them to do nothing else but run and jump and paddle kayaks. It pumps them up with anabolic steroids and shoots them full of speed and strength and virtuosity. It knows not the spirit of amateurism, nor does it abide failure. East Germany is an athletic factory. For Communist propaganda.

Well, Doug Gilbert, a Canadian journalist who was killed last summer in an automobile accident while covering the Pan-American Games, says that isn't so. In "The Miracle Machine," which was completed just before he died, Gilbert takes us behind the scenes, introduces us to the people who created the miracle, and explains how the machine works. He concludes that, if anything, the East German sports program is more democratic than the American one — more sportsmanlike, more humane, more egalitarian, and more tuned into the joy of pure participation.

Indeed, Gilbert concludes, the United States would do well to adopt a program similar to the East German one. It could create a body similar to the all-encompassing Deutscher Turn- und Sportbund, or German Gymnastics and Sports Union, and make it completely independent of the government, as the East Germans have done.

Now if the foregoing makes Gilbert sound like an apologist for an alien way of life, then so be it. He respects his subject sufficiently to refer to it as the German Democratic Republic rather than East Germany, which is considered insulting. There are those among us who will not forgive him for this, let alone for fraternizing with and praising the enemy.

Still, I have to say that Gilbert's views sound balanced to me. He is willing to curse where curses are due, and to worry about the potentially dangerous possibilities inherent in an event like the mammoth Sports Festival and Spartakiad he witnessed at Leipzig. For though the spectacle moved him beyond the power of his writing to convey — the performers "were simply super," he is finally reduced to burbling — it also scared him a little by its resemblance to the infamous Nuremberg rallies of the 1930s.

Besides, Gilbert seems just as concerned with getting to know his subject and having fun in the process, as he does with advocating its program. So he isn't loath to wander wherever his nose leads him, whether it's to the discovery of Stimul 1, an electronic stimulator developed by the Russians that appears to have the power to strengthen muscles (and to reduce fat), or to ferret out the story behind the Olympic Village that so luxuriously housed the world's best athletes during the 1936 Olympics, held in Berlin.

And where Gilbert is most entertaining is in interviewing and intro-

ducing us to the members of the Miracle Machine — people like Waldemar Cierpinski, who out of nowhere to snatch a marathon gold medal from the unlikely setting of a Soviet Union, or Mario Biondani, a long-haired, wide-eyed, and somewhat strange-looking fellow who, after a long and arduous journey, chose the gloves over the shoes and went on to win his first Olympic gold medal in bobsled, Australia, in 1956. For money. "The Miracle Machine" simply a way of making the coming Moscow Games more interesting, since it puts human faces on what has hitherto been an enormous horde.

Still, Gilbert does make his case for a truly mass sports program. It makes one that Peter Rozelle, Bowie Kupper, O'Brien, the heads of the National Collegiate Athletic Association and the Amateur Athletic Union and the leaders of all the other leading sports organizations in the United States could sit down and agree to cooperate. If they do, according to Gilbert, then August 1980 might be on its way to producing a miracle machine, more important, to improve health and productivity.

Christopher Lehmann-Haupt  
The staff of The New York Times

## Best Sellers

The New York Times  
This list is based on reports from more than 1,400 bookstores throughout the United States. Weeks on list are indicated by asterisks.

## FICTION

- 1 JAILBIRD, by Kurt Vonnegut
- 2 TRIPLE, by Ken Follet
- 3 THE LAST EVILMENT, by Howard Fast
- 4 MEMORIES OF ANOTHER DAY, by Harold Robbins
- 5 THE EXECUTIONER'S SONG, by Norman Mailer
- 6 SMILEY'S PEOPLE, by John McMane
- 7 THE LAST EVILMENT, by Howard Fast
- 8 THE GREEN RIPPER, by John McMane
- 9 THE DEAD ZONE, by Stephen King
- 10 THE TOP OF THE HILL, by Irwin Shaw
- 11 THE LAST EVILMENT, by Howard Fast
- 12 SOPHIE'S CHOICE, by William Styron
- 13 THE MATARIAN, by Robert Ludlum
- 14 WAR AND REMEMBRANCE, by Leo Tolstoy
- 15 THE THIRD WORLD WAR, by John Hackett and other top-ranking NATO advisers and generals

## NONFICTION

- 1 THE BRETHREN, by Bob Woodward and Scott Armstrong
- 2 AUNT ERMA'S COPE, by Robert Kennedy
- 3 WHITE HOUSE YEARS, by Henry Kissinger
- 4 JAMES HERRIOT'S VETERINARY, by James Herriot
- 5 CRUEL SHOES, by Steve Martin
- 6 THE COMPLETE SCARS, by Dale Medical Diet, by Herman Tarnower M.D. and Sam Shashar Baker
- 7 THE MATARIAN, by Robert Ludlum
- 8 THE RIGHT STUFF, by Tom Wolfe
- 9 THE COMING BAD YEARS, by Howard Ruff
- 10 SEVENTINE, by Thomas Merton
- 11 ANATOMY OF AN ILLNESS, by Norman Cousins
- 12 CONNECTIONS, by James Herriot
- 13 SECOND WIND, by Bill Russell and Taylor Branch
- 14 WITH NO APOLOGIES, by Barry Goldwater
- 15 RESTORING THE AMERICAN DREAM, by Robert Ringer

## BRIDGE

By Alan Truscott

ON many occasions at the bridge table virtue has to be its own reward. You may bid or play with accuracy or even brilliance, only to find that the lie of the cards is such that an inferior performance would have scored more points.

A variation of this occurs in team play. One player bids to the best contract and judges skillfully to make it. When he compares scores, however, he discovers that the opposing team reached the wrong contract and found the result to their satisfaction.

On the diagrammed deal, West chose to make a light opening bid of one club and North made a take-out double. South jumped to two spades, showing moderate values and inviting game in spades — an invitation that his partner was happy to accept.

The opening lead of the club king was ruffed in dummy, and the spade king was cashed. Now the spade ten was led, and when East played low, South had to make his first crucial decision.

He could duck as a safety play to guard against the possibility that East held all the remaining trumps, but that would leave him in trouble if West produced a spade honor and led another club.

So South put up the spade ace, with an easy road to 10 tricks if West followed suit. Unfortunately, West discarded a heart and South was in trouble. After thinking for about two minutes, a very long time by his standards, he found the winning play by entering dummy with a diamond lead and finessing the heart ten.

West could have defeated the

contract if he had refused to let the heart ace at this point, but was not easy to judge. In practice he took the ace, and there were no tricks in the heart suit. South could not be prevented from scoring another trick in the dummy together with two heart tricks. Eventually he had reached the limit for the defense.

South had good reason to be pleased with this result, for the alternative play of ruffing a club with the four-club and running diamonds in the hope that East could follow to exactly four rounds would have failed.

But he was less pleased when compared scores later. The North-South pair for the opposing team had reached the weird contract of three no-trump, and this could be defeated since East held both club ten and the heart jack.

NORTH  
♠ K 10 6 3  
♥ Q 4 5 2  
♦ A K Q J 8  
♣ —

WEST (D)  
♠ A 9 7 4  
♥ 7 5 2  
♦ A K 7 5 3  
♣ —

EAST  
♠ Q J 8 5  
♥ J 3 2  
♦ 10 8 4  
♣ Q J 1 2

Neither side was vulnerable. The deal was played by Alan Truscott.

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# ong Ram Pass eats Cowboys in NFL, 21-19

By William N. Wallace

G. Texas, Jan. 1 (UPI) — A touchdown pass thrown by Ferragamo to Billy Wadsworth over two minutes in the game gave the Los Angeles Rams a 21-19 victory over the Dallas Cowboys here Sunday in the National Football League playoff game.

The Rams came into the playoffs with the poorest win-loss record, 9-7, and were the only team to lose a game in the first round of the playoffs. The Rams' defense was the only one to force a fumble in the game, and the Los Angeles Coliseum, where the game was played, was the only one to have a record crowd of 65,000.

The Rams' offense was led by quarterback Roger Staubach, who has won the NFL MVP award three times. He completed 15 of 27 passes for 277 yards and two touchdowns. The Rams' defense was led by defensive back Dave Edmunds, who intercepted a pass from Cowboys quarterback Roger Staubach in the third quarter.

The game was a close contest, with the Rams leading 14-10 at halftime. The Cowboys' defense was the only one to force a fumble in the game, and the Los Angeles Coliseum, where the game was played, was the only one to have a record crowd of 65,000.

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## Canadiens Beat Red Army, 4-2

MONTREAL, Jan. 1 (UPI) — The Montreal Canadiens defeated the touring Soviet Central Army hockey team, 4-2, in the first game of the Red Army tour here Sunday.

The Canadiens scored twice in the first period, 12:10 and 12:10, to take a 2-0 lead. The Red Army scored twice in the second period, 12:10 and 12:10, to tie the game 2-2. The Canadiens scored twice in the third period, 12:10 and 12:10, to win the game 4-2.

The Canadiens' defense was led by defenseman Yvon Lambe, who had a goal and an assist. The Red Army's defense was led by defenseman Vladimir Yashin, who had a goal and an assist.

The game was a close contest, with the Canadiens leading 2-0 at halftime. The Red Army's defense was the only one to force a goal in the game, and the Montreal Forum, where the game was played, was the only one to have a record crowd of 15,000.

## IHL Standings

CAMPBELL CONFERENCE						
Patrick Division						
Team	W	L	Pts	GF	GA	
San Jose	26	11	58	154	104	
San Francisco	17	15	5	39	145	
Los Angeles	9	14	7	32	117	
San Diego	13	12	2	32	119	
San Jose	1	23	23	110	142	
Smythe Division						
Team	W	L	Pts	GF	GA	
San Jose	12	12	32	36	103	109
San Francisco	14	12	7	35	122	130
Los Angeles	13	12	2	39	115	127
San Diego	14	12	8	46	162	159
San Jose	12	21	23	27	121	138
San Francisco	9	19	25	5	120	155
WALES CONFERENCE						
Neville Division						
Team	W	L	T	Pts	GF	GA
San Jose	18	14	4	42	142	127
San Francisco	17	12	6	40	152	135
Los Angeles	14	11	3	39	122	119
San Diego	11	17	2	29	115	125
San Jose	9	14	9	27	111	126
Adams Division						
Team	W	L	T	Pts	GF	GA
San Jose	2	25	3	5	145	99
San Francisco	10	20	3	23	145	102
Los Angeles	10	20	3	23	145	107
San Diego	16	14	5	38	128	134
San Jose	15	17	5	35	114	125
Sandwich Division						
* York Rangers vs Washington 2 (Back 7) 2 (1),						
Johnstone 14, Hedberg 20,20, Vickers						
14,1						



